GENERALFINANCE

Mid & Small Conference

Milan

November 23, 2023

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Agenda

- Generalfinance: Overview
- Factoring Market and Distressed Financing
- Digital, Low Risk Player
- Main 9M 2023 Results
- Focus on Asset Quality and Digital Factoring
- 9M 23 Results: Balance Sheet, P&L, Funding and Capital
- Annex

Generalfinance: Overview

Generalfinance: a long and successful history

- €2bn Turnover in 2022A
- C. €8bn Cumulated Turnover from the start of the factoring business
- Served Italian corporates mainly distressed (c. 69% in 2022A)

1982	Incorporation of the company
Since 1990	Start factoring business
1995	Entry of industrial partners in the share capital
2006	Entry in the UTP market
2009–10	M. Gianolli becomes the controlling shareholder
2015	Incorporation of GGH s.r.l, parent company of Generalfinance
2017	Registration as financial intermediary pursuant to art. 106 TUB
2017	Strategic agreement with Cre.Val. that acquires 46.81% of share capital
2021	
2022	Listing on the STAR segment of Borsaitaliana

PIONEER IN FACTORING

RE-ORGANISATION BY M. GIANOLLI

BUSINESS MODEL EVOLUTION TO THE LEADING FACTORING COMPANY FOR ITALIAN DISTRESSED COMPANIES

Long Standing Experience, Specialisation and Unique Positioning

GENERAL FINANCE

Generalfinance: Overview

- ✓ **Leading independent player** in the white space of **factoring for Distressed Italian SMEs**, unserved by traditional banks, with no comparable companies
- ✓ **Digital platform** enables unique efficiency, knowledge of clients (competitive advantage) and better risk management
- ✓ **Competitive advantage** with tailor-made services to customers by using a unique in-house Scoring and Rating system and **high sector diversification**
- ✓ **Excellent risk management** due to digital platform data management and managerial proven experience
- ✓ **Strong growth opportunities** supported by sound capital and excellent funding structure
- ✓ **Management with a solid experience in financial services** to distressed companies, as well as significant skills in business development

KEY FIGURES 9M 2023

Turnover € 1,774M — **+24%** vs 9M 2022

Net Income € 10.7M — **+27%** vs 9M 2022

Gross NPE ratio **0.27%** (vs 3.62% Avg market)	CET1 ratio **15.3%** (vs 4.5% Regulatory req.)
ROE **27.7%**	Cost Income Ratio **37.9%**

In 4Q 2023 expected **increase in past due exposure, due to a new interpretation regarding the «Definition to Default, DoD» provided by Bank of Italy to the Company for pro-solvedo transaction**, after the inspection conducted in 4Q 2022.

Specifically, the Autorithy clarified that **the trigger for the count of the past due day starts when the past due is above 1% of the exposure** (and above the absolute value of 100 or 500 euro depending on the counterparty), **notwithstanding the nominal value of the portfolio of receivables and the cushion between the nominal value and the exposure of the company.**

In relation to the new interpretation of the DoD, we expect the ***Gross NPE Ratio to go up in the range of 1-3%****, vis-a-vis the market average (Assifact) of 3.6% at the end of Q2 2023.*

Note: Turnover includes Future receivables
ROE: annualized net income / (equity - net income)
Cost Income Ratio: Operating costs / Net Interest and Other Banking Income
Assifact NPE Ratio (%) as at June, 30 2023

GENERAL FINANCE

Shareholder base

Placement of CAI's stake

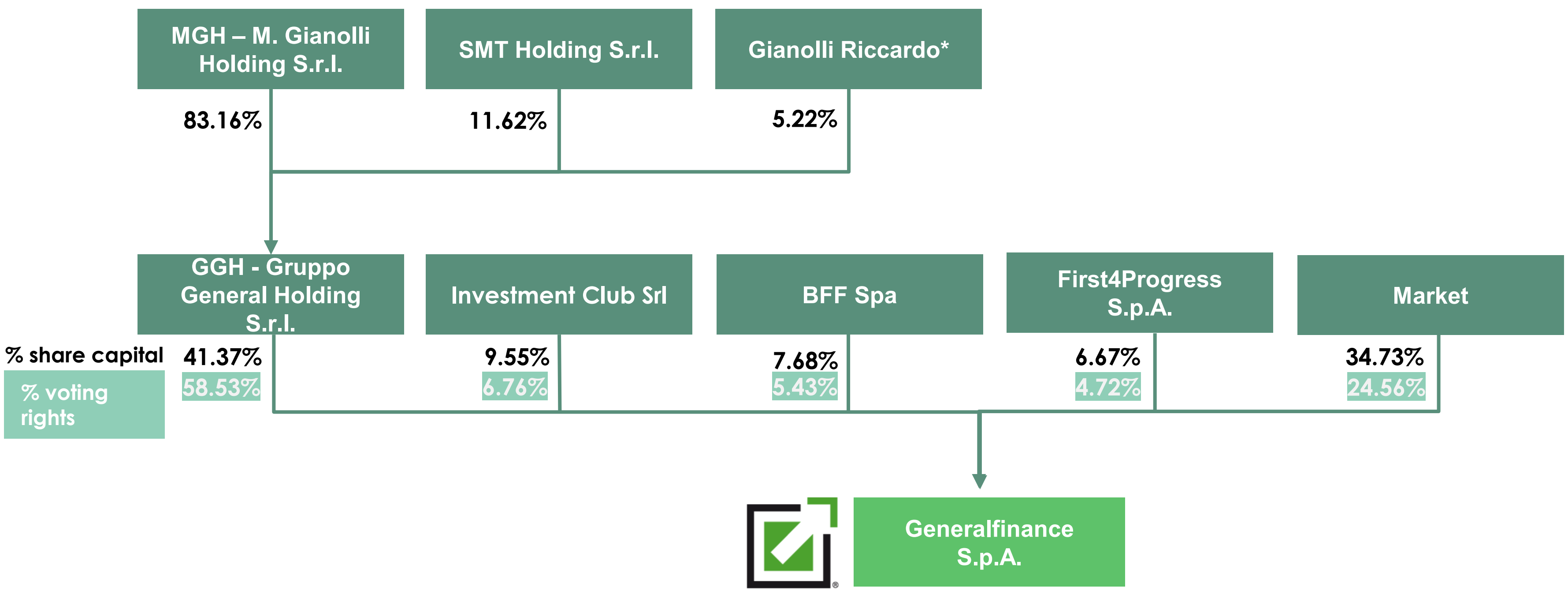
4th October 2023

DAY OF THE PLACEMENT

€ 15.0 M

DEAL VALUE (1)

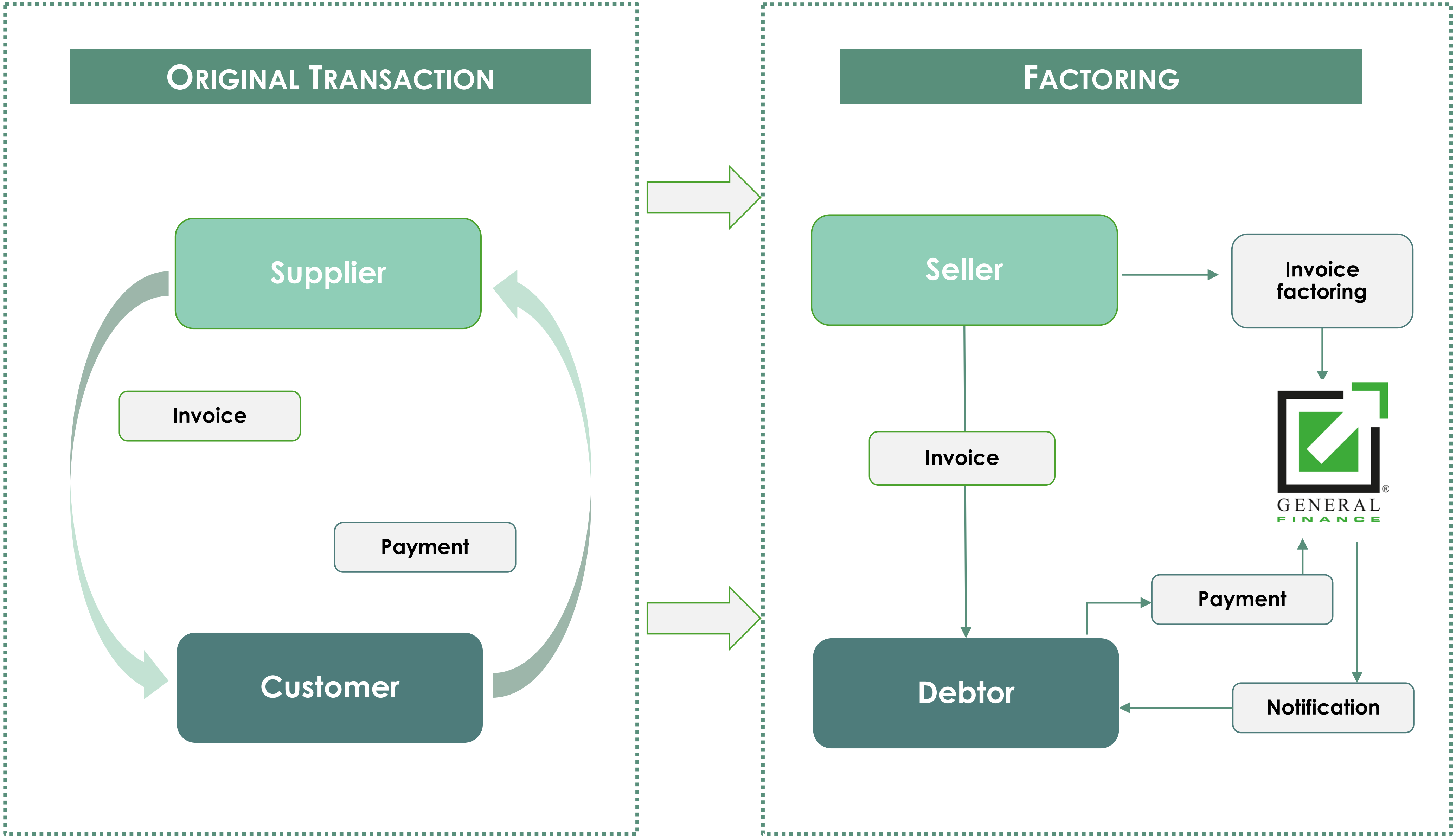
Updated shareholders' structure



Notes: (1) CAI press release
*Gianolli Riccardo: Usufruct

Factoring Market and Distressed Financing

What is Factoring? (1/2)



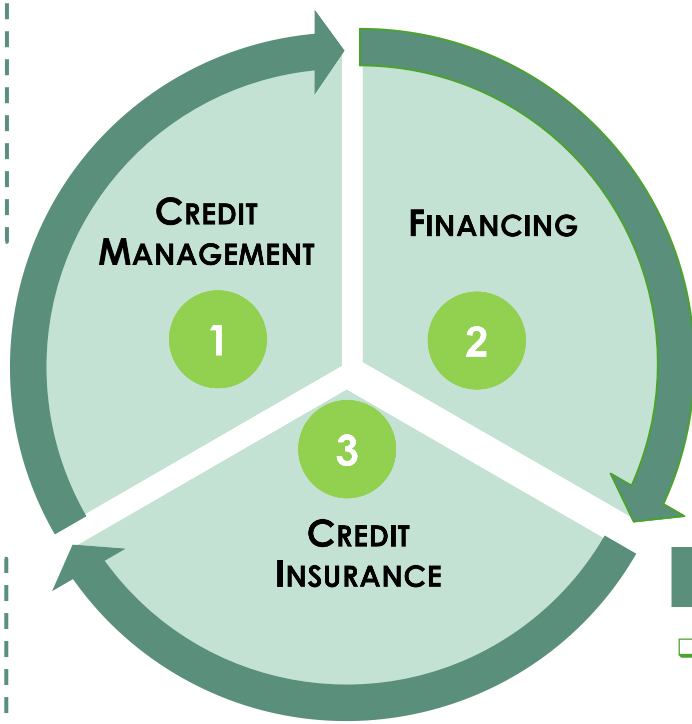
Source: Management

What is Factoring? (2/2)

Credit management (debtor management and payment collection) is the **core business** of a factoring company and allows the creditor to outsource activities that are usually carried out in-house, thus achieving:

- Greater **effectiveness** (credit management is the core business of a Factor)
- Greater **efficiency** (a Factor can leverage on economies of scale)

1



In the **working capital financing service,** the Factor differs from a bank since it analyses the assigned receivables/debtors in addition to performing the usual creditworthiness assessments

2

In the **credit insurance** service, the Factor analyses the **specific features of the assigned receivables** and can issue a solvency guarantee

3

FURTHER KEY TAKEAWAYS ON FACTORING

- Factoring is a **flexible tool** for the **management of working capital**, offering a wide range of services to release, manage and successfully deliver trade receivables;
- The **legal instrument underpinning factoring** is the **assignment of receivables in accordance with Law no. 52 of 21 February 1991** (Law on the assignment of receivables).

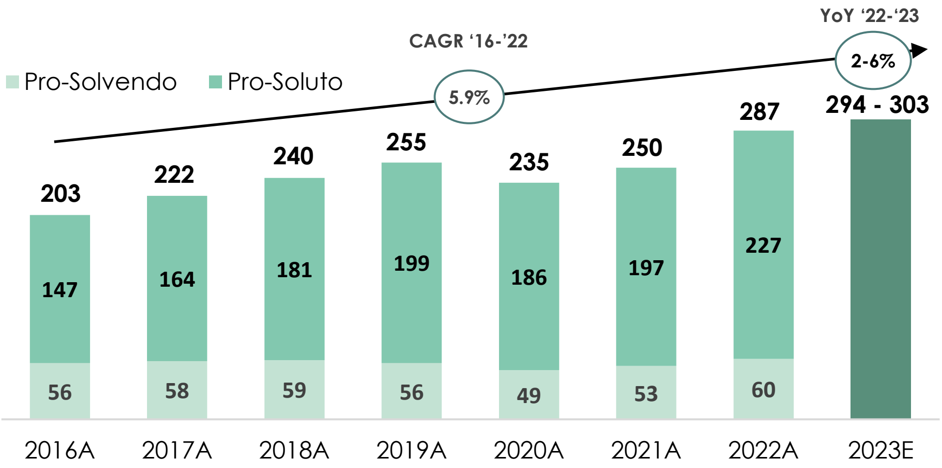
Source: Management

GENERAL FINANCE

Leader in the high-growth distressed market segment

In the overall fast growing factoring market (turnover in Italy is expected to grow from € 287bn in 2022 up to €294-€303bn in 2023) Generalfinance focuses on distressed sellers (UTP, forborne and past due) with a portfolio of performing debtors (in bonis)

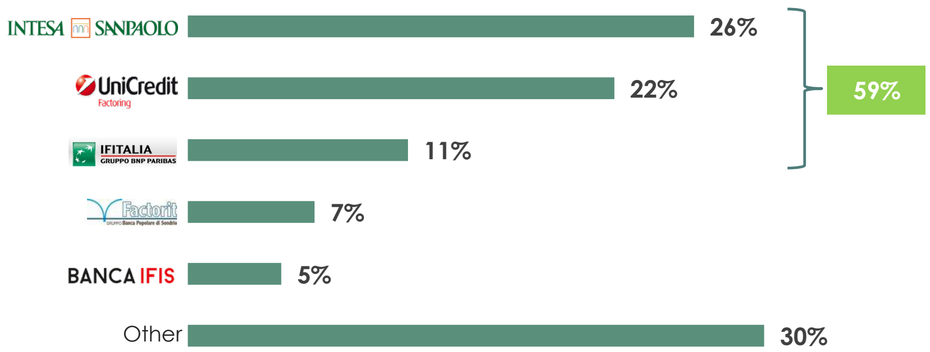
Evolution of Turnover in Italy (€bn)



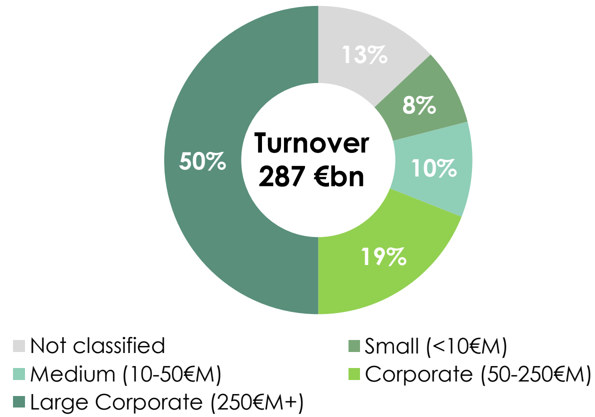
Generalfinance's Market Key Drivers

1. Impact of Covid-19 on non-performing loans
2. Vulnerable companies and new non-bankruptcy procedures
3. Regulatory framework affecting banks and NPE

Ranking of the Italian factoring market – 2022 (%)



Sellers by Size – 2022

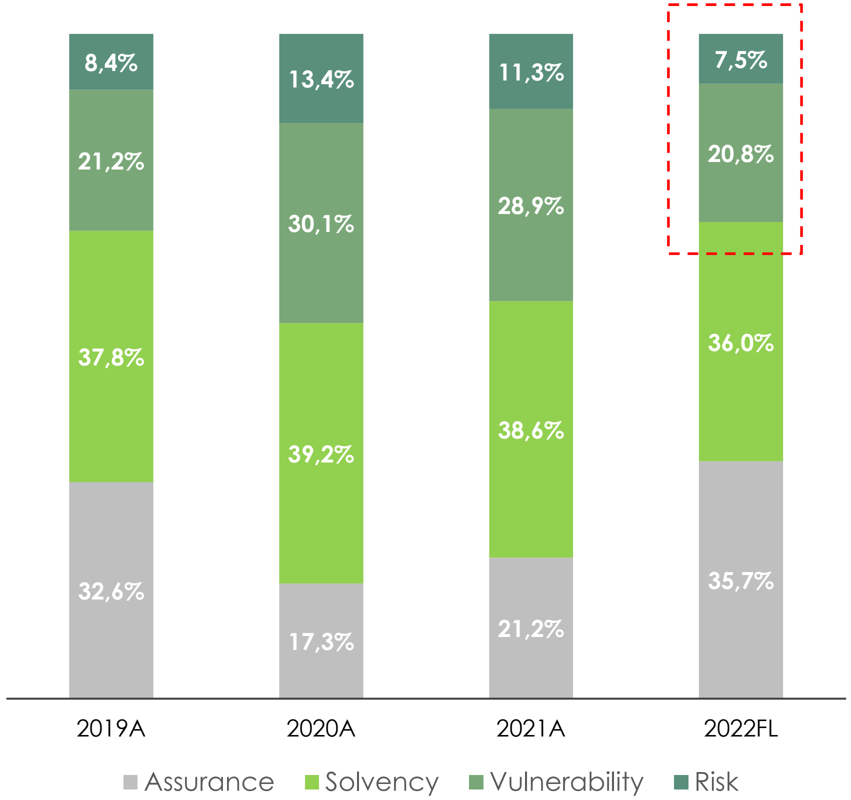


Notes: (1) range of values estimated in the last Assifact report «ForeFact» 23 n.1

Source: Assifact, Banca d'Italia, Banca IFIS Market Watch, report PWC, company balance sheets and website

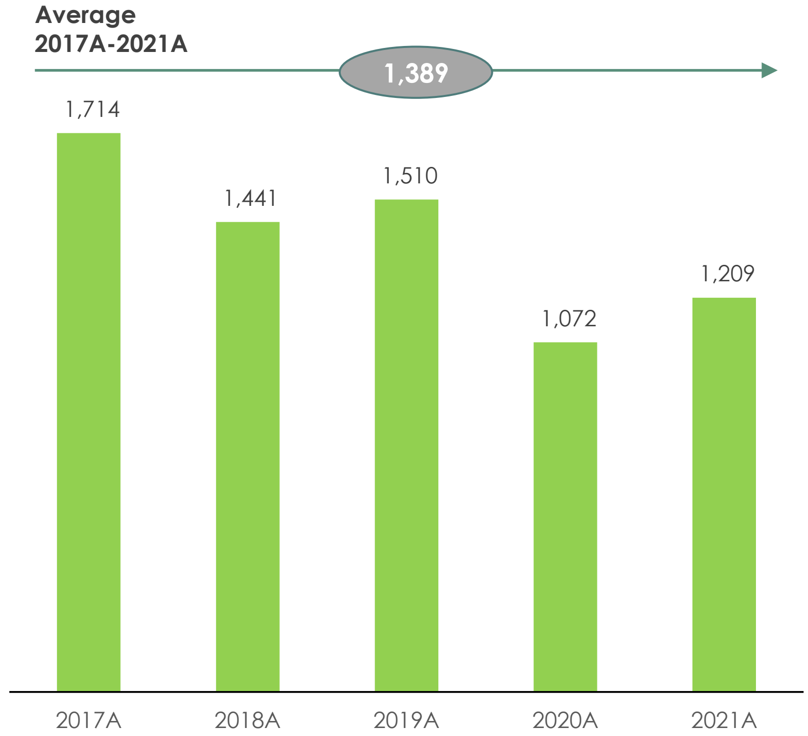
Vulnerable companies and new non-bankruptcy procedures

CERVED GROUP SCORE (CGS)



More than 28% of SMEs are in vulnerability or risk condition

NON-BANKRUPTCY PROCEDURES

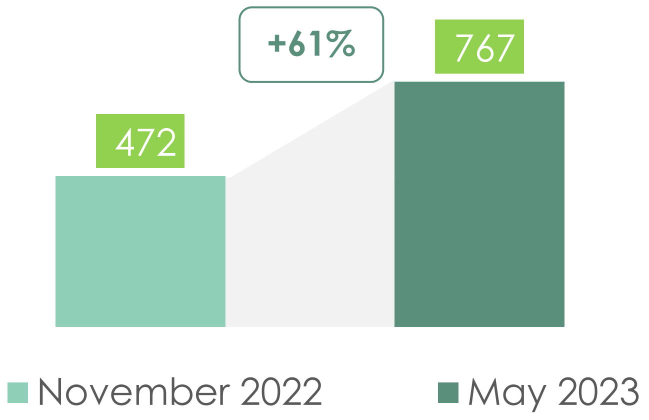


An annual average (2017-2021) of 1,389 companies entered non-bankruptcy procedures

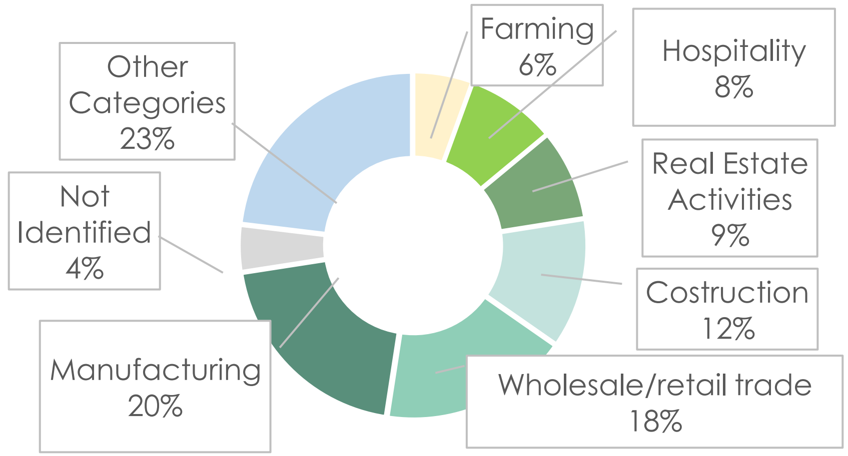
Source: Cerved «Rapporto PMI 2022», Cerved «Osservatorio chiusura Imprese»

Negotiated Business Crisis Settlement

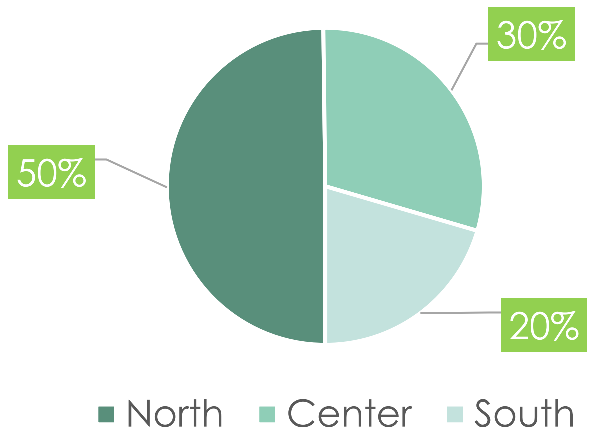
Negotiated Settlement Applications



Distribution of Instances by Commodity Sector



Geographical breakdown of Instances of Negotiated Settlement



Legal form adopted by enterprises in Negotiated Composition

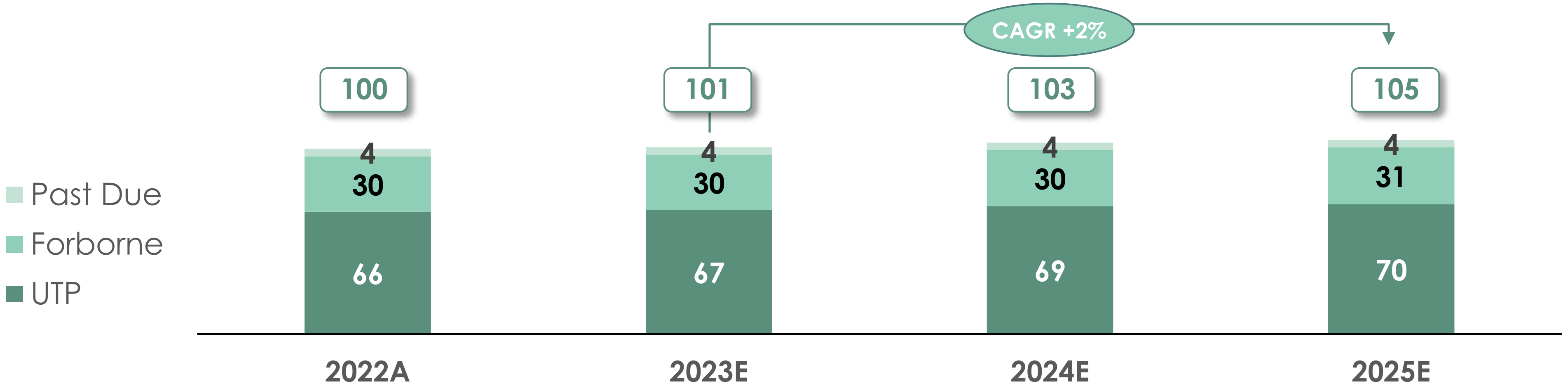
80%
Capital Companies

Source: Semiannual Observatory «La Composizione negoziata della Crisi d'impresa» - Unioncamere

Potential market

The trend of total UTP/Past Due/Forborne, which is the best indicator for estimating Generalfinance's market niche, is estimated with an expected growth-from 101 billion in 2023 to 105 billion in 2025 of the stock

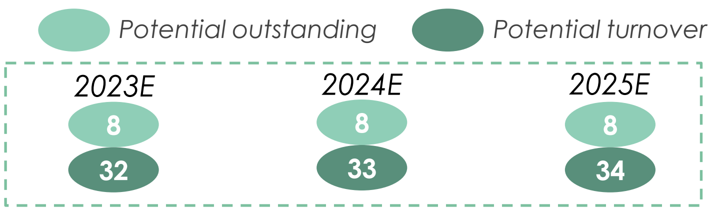
EVOLUTION OF NON-PERFORMING EXPOSURES IN ITALY (€bn)



ASSUMPTIONS FOR ESTIMATING POTENTIAL OUTSTANDING OF DISTRESSED FACTORING

Short-term loans vs companies on total loans	*6.4% of the total amount of loans[1]*

POTENTIAL DISTRESSED FACTORING MARKET ESTIMATES (€bn)

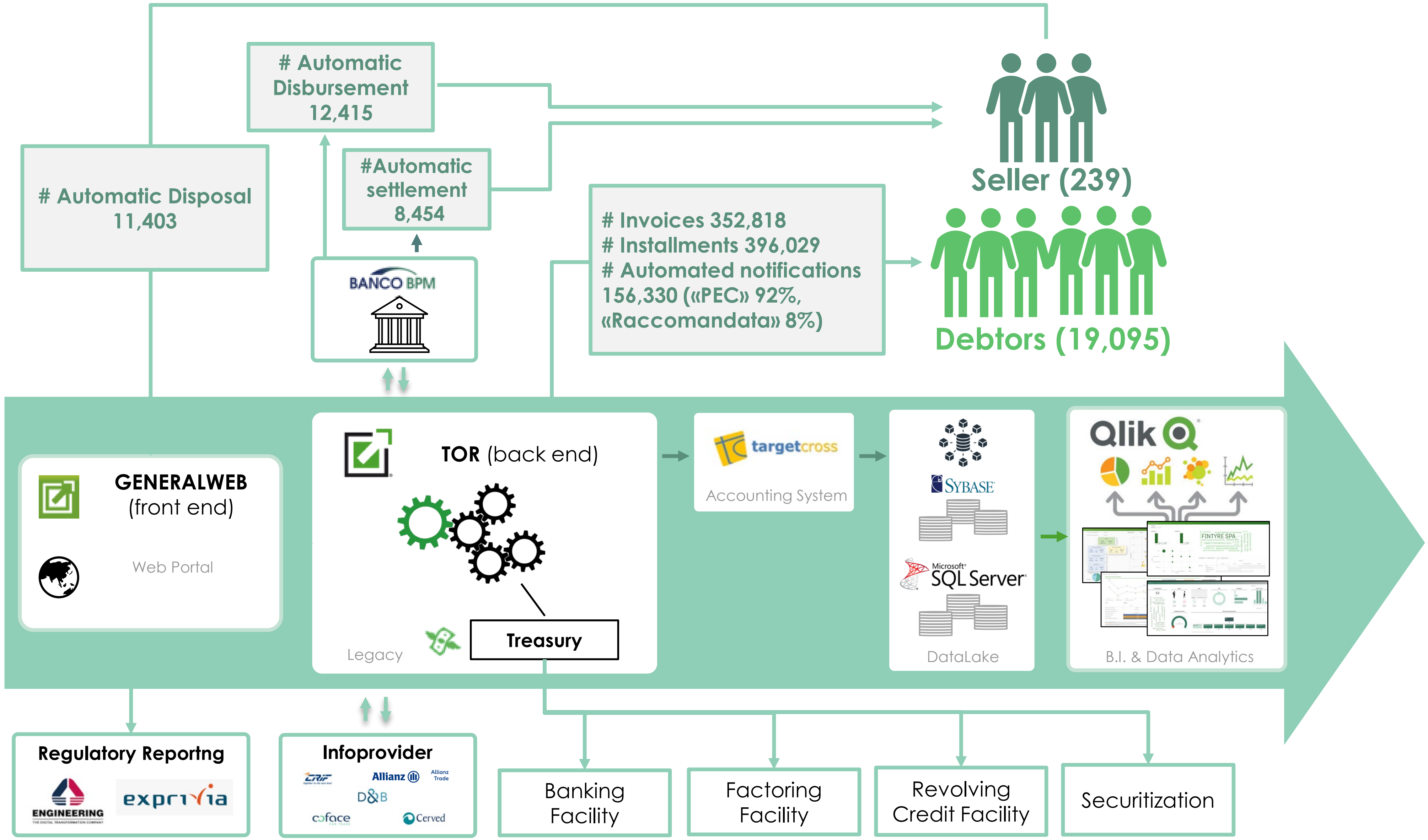


Notes: 1) Excluding Repo and Current Accounts

Source: Assifact, Prometeia, Banca d'Italia, Banca IFIS Market Watch, report PWC, company balance sheets and website

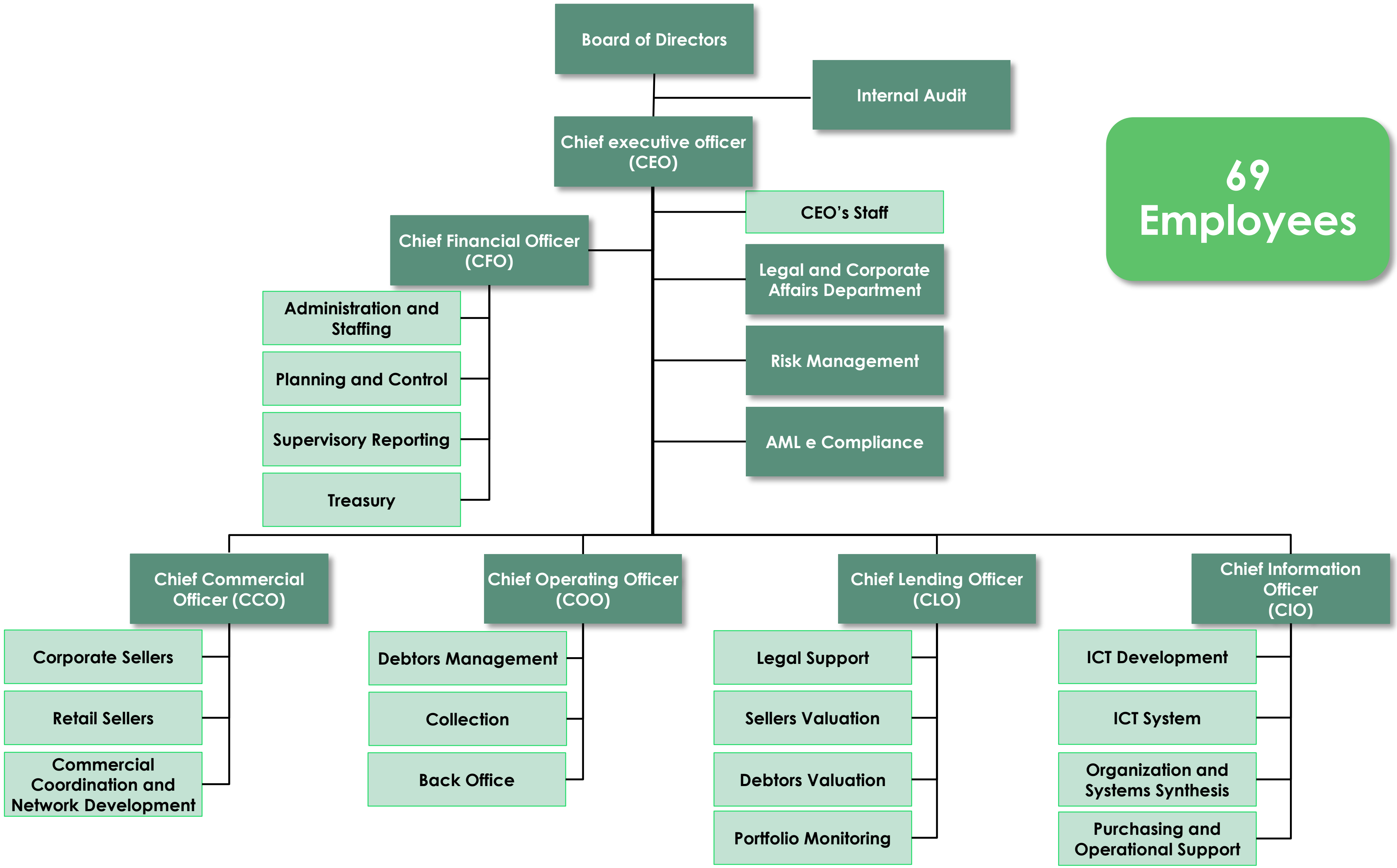
Digital, Low Risk Player

A strategic asset: the proprietary digital platform



Data LTM, as of September 2023

An organization oriented to risk control and business

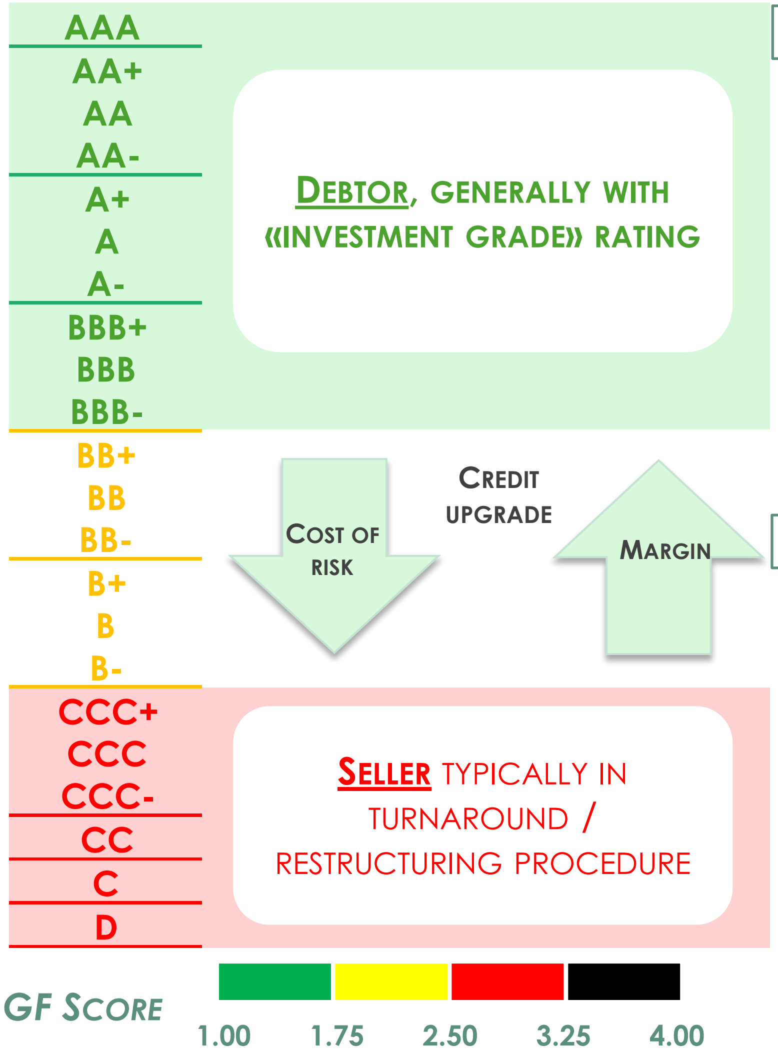


69 Employees

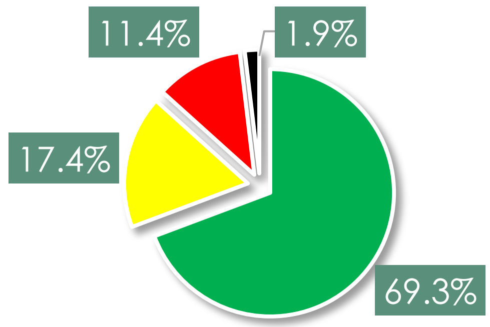
Organizational chart as of September 30, 2023

A unique business model, leveraging the factoring features

The peculiarity of Generalfinance's business model is the choice of Seller–Debtor, where clients (**Sellers**) typically have a **low credit rating** (turnaround situation) while the **Debtors** underlying customer loans refer to a **high credit rating** (normally investment grade)

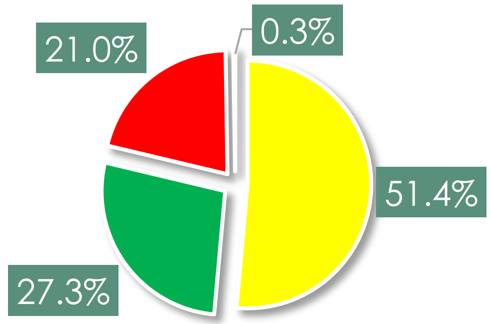


Turnover 9M23 – per Debtor



Green score equal to 69%

Turnover 9M23 – per Seller



Green score equal to 27%

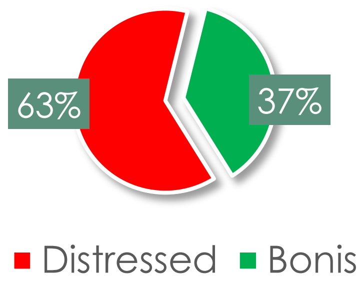
HIGHLIGHTS FOR GENERALFINANCE[1]

PRODUCTS

- ✓ Pro-solvendo factoring (c. **81%** of turnover; vs 21% Assifact average)
- ✓ Pro-soluto factoring (c. **19%** of turnover; vs 79% Assifact)
- ✓ Reverse factoring
- ✓ C. **80%** of turnover covered by insurance with Allianz Trade
- ✓ **80%** LTV Pro solvendo in 9M 2023, adjustable according to credit risk

CUSTOMERS

- ✓ High ratio Debtor/Seller (**~80 vs 8** of Assifact average[2])
- ✓ Average Seller **retention about 6 years**



Notes: 1) Generalfinance data refers to September 30, 2023 (LTM); Assifact data refers to June 30, 2023; 2) Assifact data net of household debtors.

Value proposition, distinctive features and value chain

1 Value proposition

Generalfinance offers its customers (mostly companies under financial stress) rapid and customized interventions for the financing of the working capital and trade receivables, covering the entire supply chain finance

Factoring Pro-Solvendo ***Factoring Pro-Soluto***	▶	**“Revolving" relationship (LIR[1] at 24 months) in a predominantly "notification" mode and, where applicable, "acceptance" of the debt**

2 Distinctive skills

- **Consolidated expertise** throughout the entire process
- **End-to-end in-house valuation process**, tailored to customer specifications
- **Strong risk reduction and diversification mechanisms**
- **In-house-developed proprietary factoring platform** to support business specifications
- **Fast operational processes** and capability to **provide bridge financing** within turnaround processes

3 Generalfinance masters all the crossroads of the value chain

- All operational steps and core activities are **carried out internally** by Generalfinance's dedicated structures
- Generalfinance does not relies on external consultants to assess the creditworthiness of sellers and debtors but **owns all the skills**
- The process is reinforced by **credit insurance policies** provided by Allianz Trade insurance company which, during the risk acquisition phase, performs an independent assessment of the assigned debtors, providing Generalfinance a feedback on the results of their assessment

Origination → Credit assessment → Credit Underwriting → Completion of the sale → Ordinary management → Monitoring

GENERAL FINANCE

Valuation Framework

Distressed Client

Scoring Components	DISTRESSED SELLER SCORING	+	DEBTOR SCORING/ SELLER'S PORTFOLIO	>	OPERATIONS'S FINAL SCORING

Key Factors for Valuation

- Industrial market position and client portfolio
- Recovery plan credibility and sustainability of the repayment plan of the previous debt position
- Standing and profile of the Seller's legal/financial advisors
- Feasibility of the financial measures and presence of legal protections
- Presence of financial support (Equity/Debt) from investors/shareholders

Output

- **Distressed Seller's quantitative score** (green, yellow, red)

- **Debtor's score**
- **Seller's portfolio score**

- **Overall valuation (Seller + Debtor)**

Grant	To be evaluated	Reject

Performing Client

Scoring Components	PERFORMING SELLER SCORING	+	DEBTOR SCORING/ SELLER'S PORTFOLIO	>	OPERATIONS'S FINAL SCORING

Key Factors for Valuation

- Economic and financial analysis of the Balance Sheet/P&L/Cash Flow Statement
- Positioning in the sector
- Sustainability of the debt position (Debt-Service Coverage Ratio)
- Credibility of the management

Output

- **Performing Seller's quantitative score**

- **Debtor's score**
- **Seller's portfolio score**

- **Overall valuation (Seller + Debtor)**

Grant	To be evaluated	Reject

GENERAL FINANCE

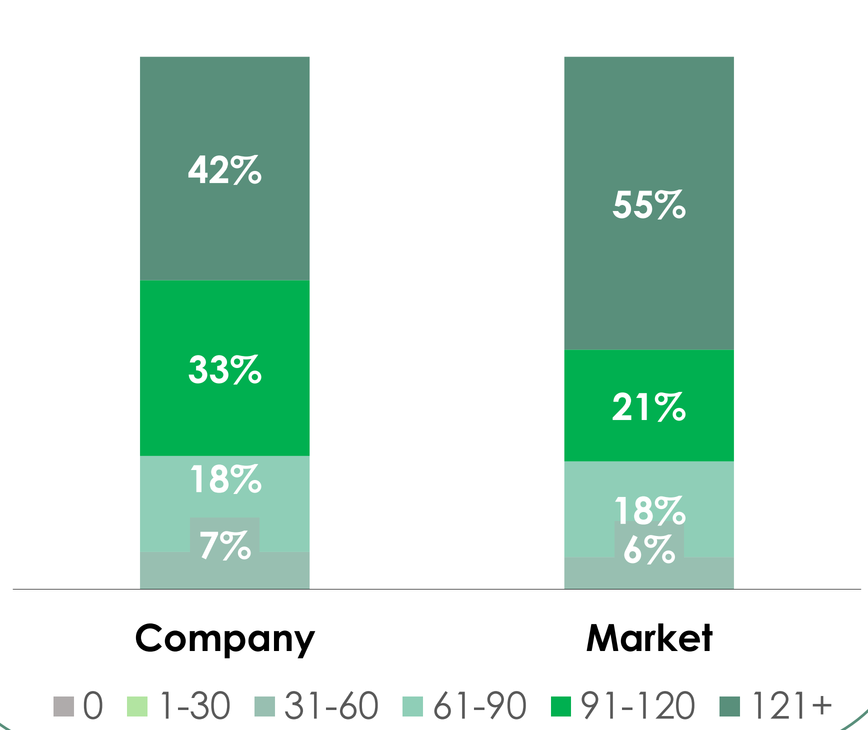
Debtor Scoring

Macro score	Indicator	Assessment details
1 Commercial score	BRI	▪ Counterparty summary assessment considering the economic and financial aspects, the history of the company, the shareholders structure, etc.
	CGS	▪ Counterparty summary assessment considering the economic and financial aspects, the history of the company, the shareholders structure, etc.
	Rating Score	▪ Counterparty summary assessment considering the economic and financial aspects, the history of the company, the shareholders structure, etc.
	Delinquency Score	▪ Probability of late payments over the next 12 months
	Failure Score	▪ Company probability of default over the next 12 months
2 Payments score	Paydex	▪ Score on the counterparty's payment performance
	Payline	▪ Score on the counterparty's payment performance
3 Credit insurability score	Grade Allianz Trade	▪ Degree of credit insurability
	DRA	▪ Degree of credit insurability ▪ *Coface – in progress*
4 Credit insurance	Insurance	▪ Insurance partnership with Allianz Trade to insure up to 100% of the credit cross, starting from amounts above 30k

Collection performance: a strategic delivery to our Customers

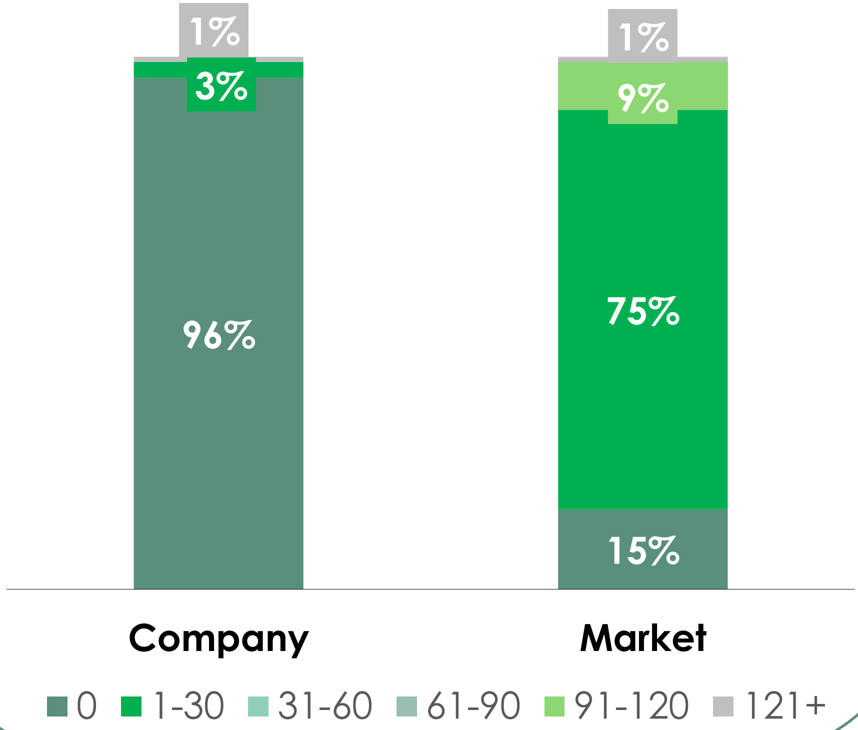
Payment Conditions (DSO)

Only **42%** of Generalfinance's portfolio has payment conditions exceeding 120 days (**vs 55% of the market**)



Payment Delays (days)

96% of Generalfinance's portfolio has **no payment delays** (**vs 15% of the market**)



Generalfinance boasts a portfolio quality, both in terms of Payment Conditions and Payment Delays, better than the rest of the market

Source: iTrade data as of September 30, 2023

Risk reduction in Distressed Factoring

Given that the majority of Generalfinance's turnover is realized towards distressed Sellers, the Company can benefit from a reduction in risk, because of 3 main factors

Lower Credit Risk

- Effects of insolvency proceedings on financial position (ex. credit write-offs)
- Recovery and relaunch plan
- Possible change in the Governance
- Possible capital injection or new financing
- Predeductibility (i.e., superpriority) of receivables arising from loans disbursed in execution of the plan and loans disbursed prior to the submission of the composition with creditors plan, respectively, if the conditions provided by the regulations are met

Lower Operating Risk

- Court approval (arrangement with creditors, restructuring agreement)
- Supervision by the court commissioner (arrangement with creditors)
- Presence of high standing Financial Advisors and Legal Counsels
- Management change

Lower Risk of Clawback Action

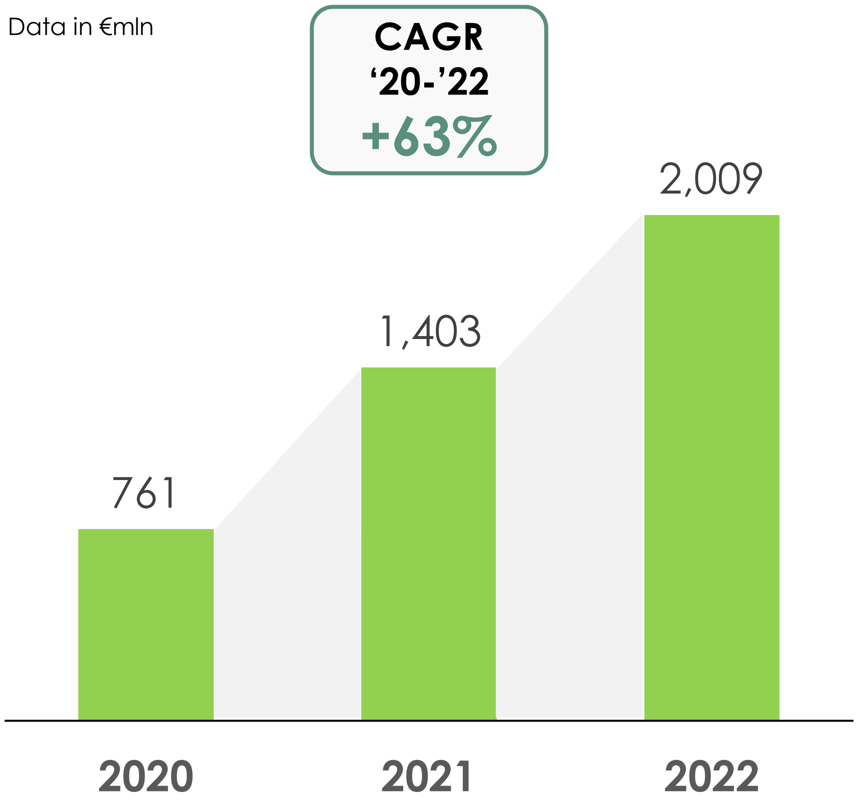
- Financial assistance for the implementation of the agreement / plan / arrangement with creditors with exemptions from clawback actions
- Authorization for bridge financing (in these cases, the risk of clawback actions is excluded on a *de facto* basis)
- Factoring law and related protections (clawback actions regarding collections from assigned debtors)

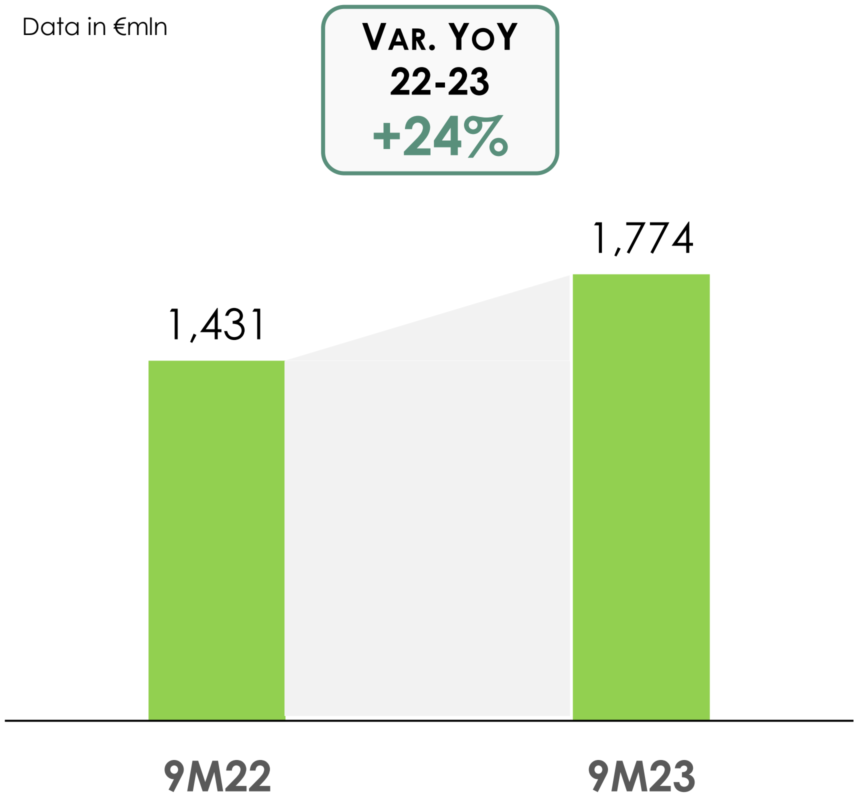
Source: Management

Main 9M 2023 Results

Turnover witnessing a strong growth story

Growth in Turnover Volume (€M)





2023 annual growth rate (24%) above the market average (-1%)

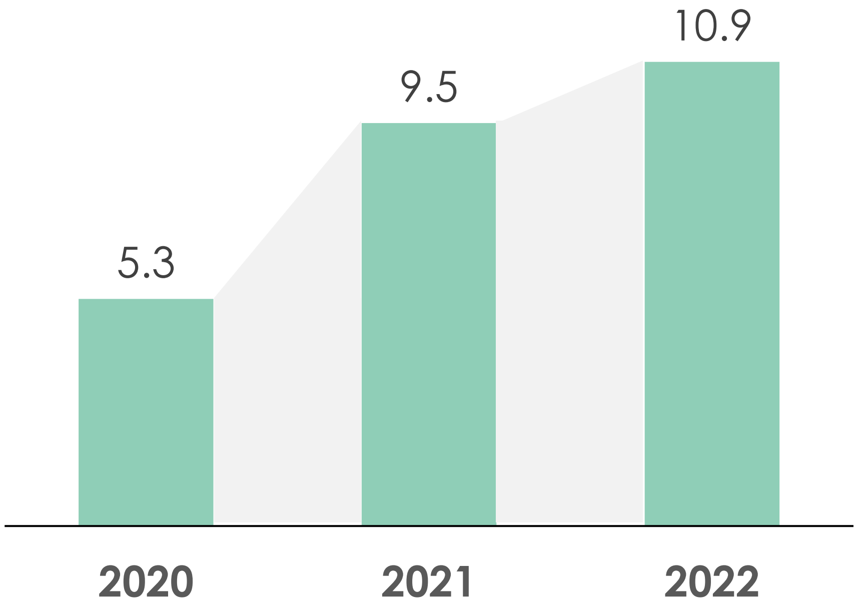
Note: Turnover includes future receivables; market average: Assifact, September 2023

Net Income: high profitability from the operations

Growth in net income (€M)

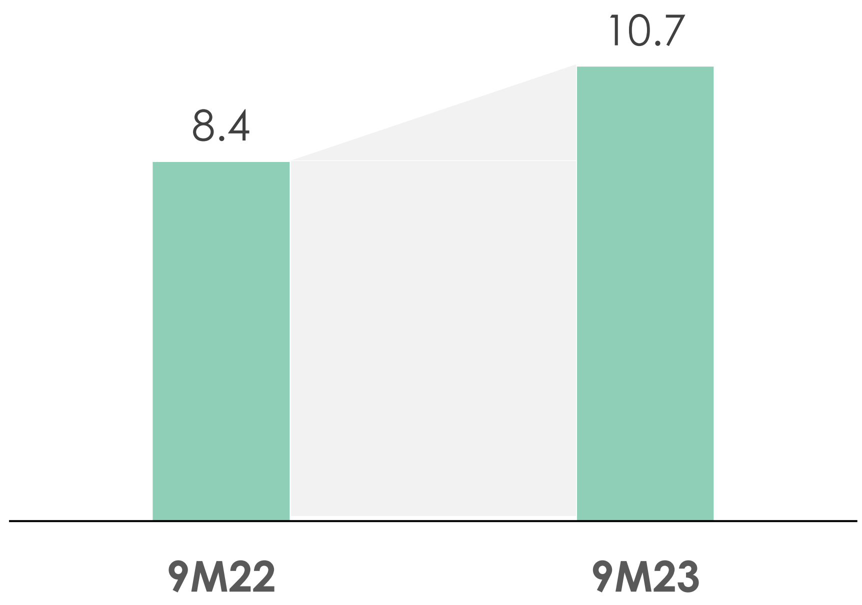
Data in €mln

CAGR '20-'22 +43%



Data in €mln

VAR. YOY 22-23 +27%



Profitability level in line with 2023 Budget

Note: Adjusted Net Profit of 9M 2022: 9.2 €mln, excluding IPO related costs; var.% YoY 9M 2023 – 9M 2022 Adj : +16%

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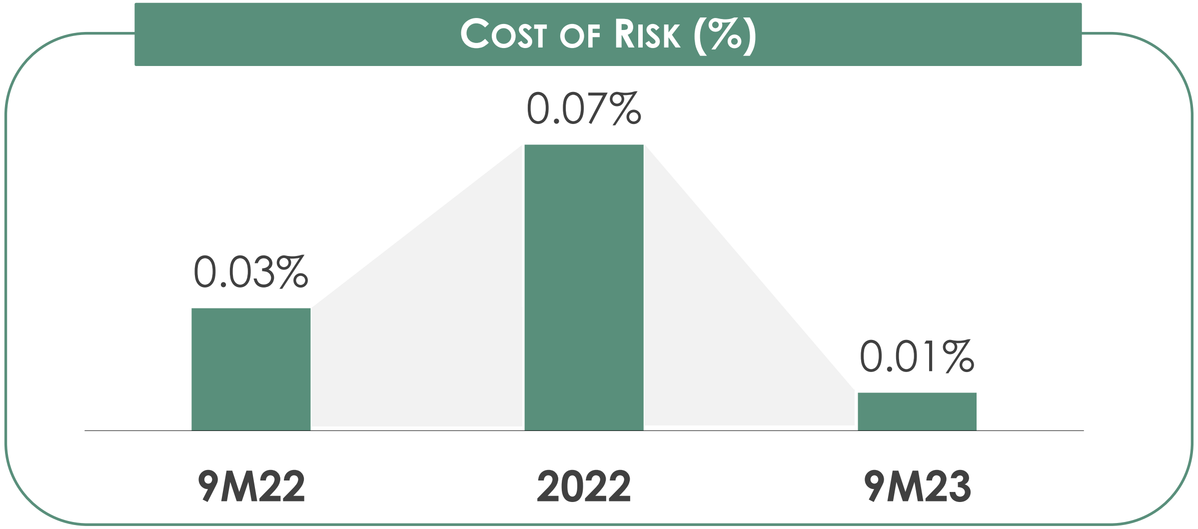
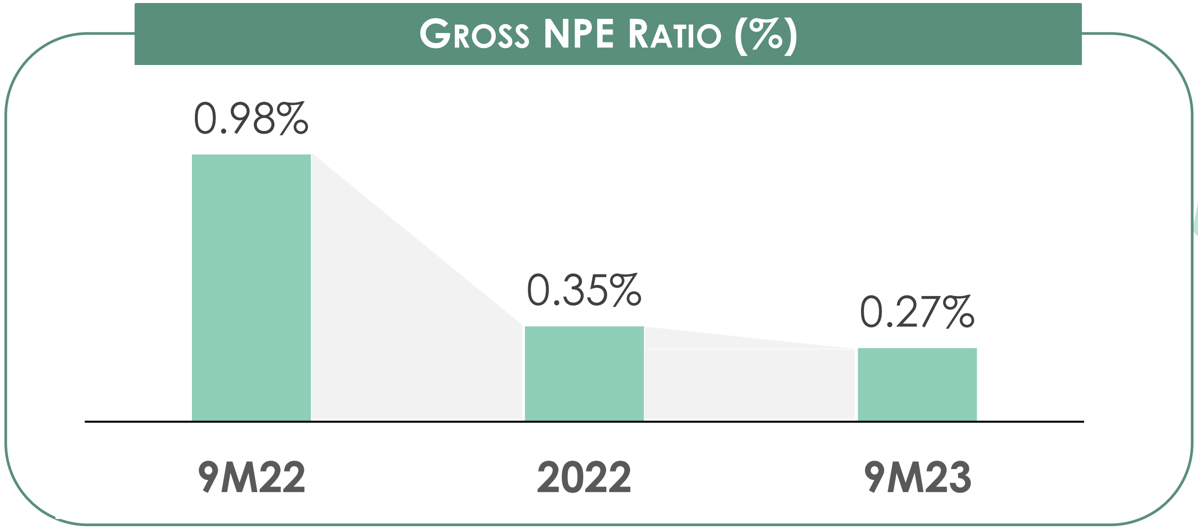
Focus on Asset Quality and Digital Factoring

A low risk model with a best in class asset quality





DEFINITION OF DEFAULT (DOD)

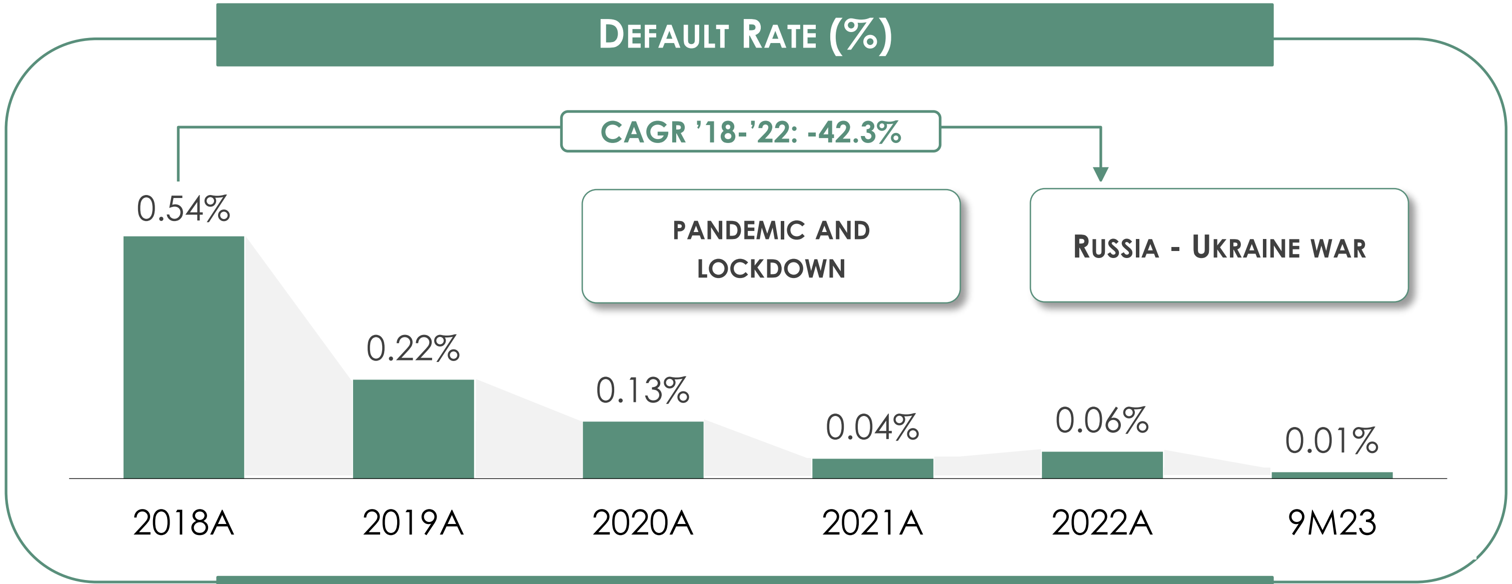
In 4Q 2023 expected **increase in past due exposure, due to a new interpretation regarding the «Definition to Default, DoD» provided by Bank of Italy to the Company for pro-solvedo transaction**, after the inspection conducted in 4Q 2022.

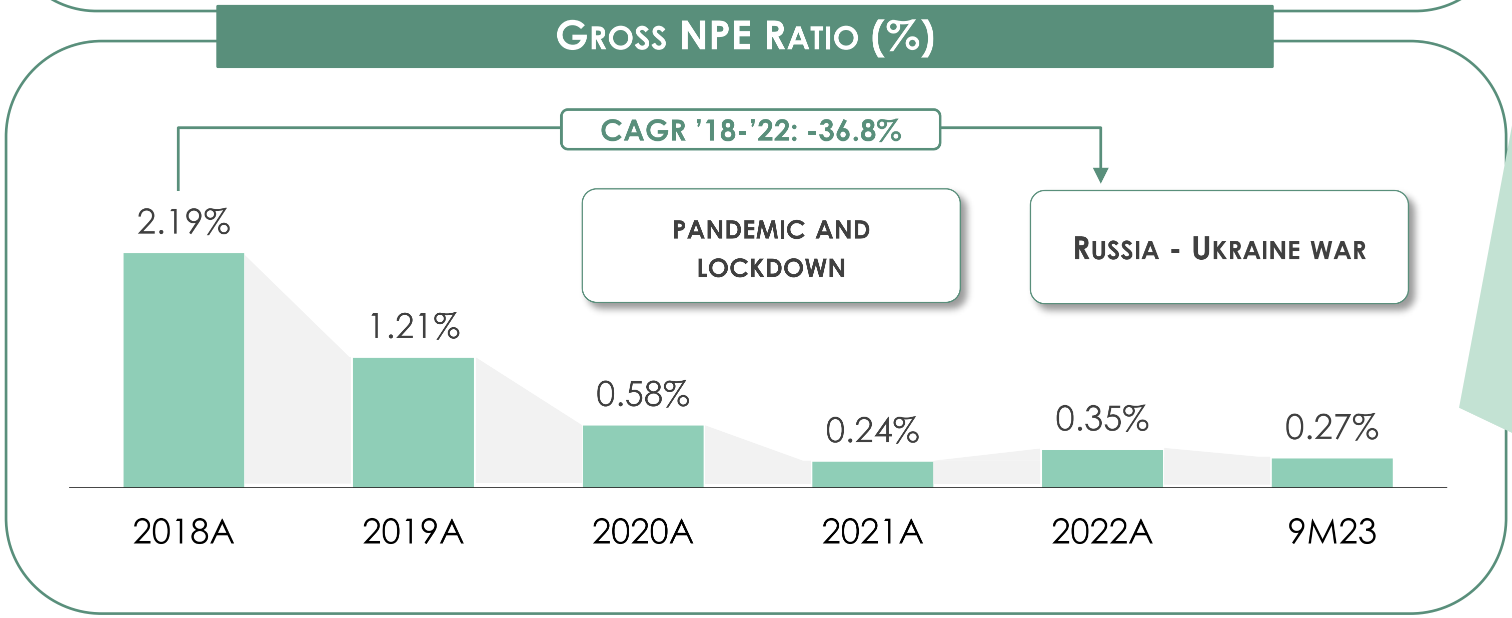
Specifically, the Autorithy clarified that **the trigger for the count of the past due day starts when the past due is above 1% of the exposure** (and above the absolute value of 100 or 500 euro depending on the counterparty), **notwithstanding the nominal value of the portfolio of receivables and the cushion between the nominal value and the exposure of the company.**

*In relation to the new interpretation of the DoD, we expect the **Gross NPE Ratio to go up in the range of 1-3%**, vis-a-vis the market average (Assifact) of 3.6% at the end of Q2 2023.*

Cost of Risk has been computed as Credit Risk Adjustments / Annual Disbursed Loans;
Gross NPE («Non-Performing Exposure») Ratio has been computed as Gross NPE / Gross Loans to Customers

Default Rate and NPE Ratio constantly improving





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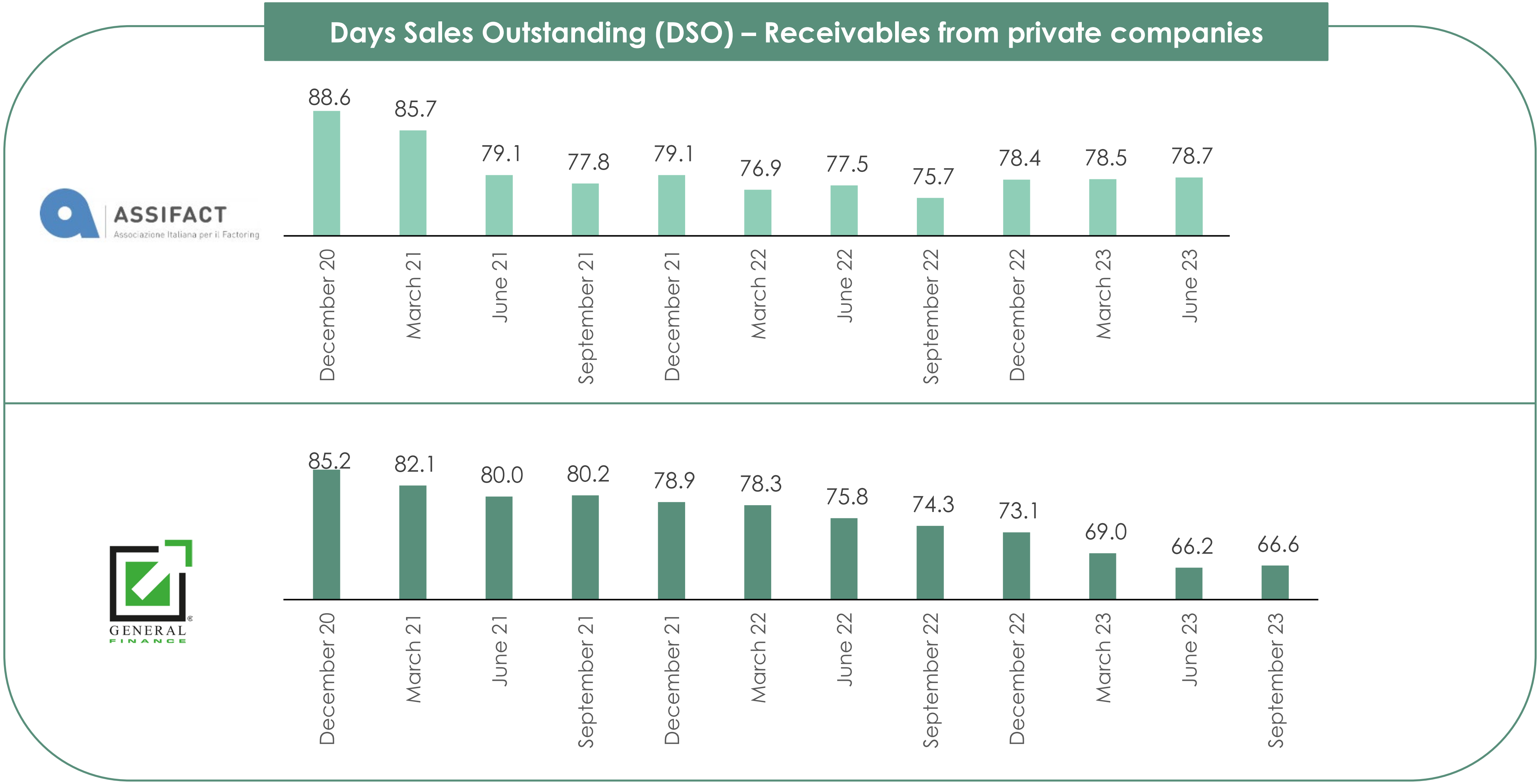
*In relation to the new interpretation of the DoD, we expect the **Gross NPE Ratio to go up in the range of 1-3%**, vis-a-vis the market average (Assifact) of 3.6% at the end of Q2 2023.*

Default rate: NPE infow of the year / loans disbursement flow of the year

Company’s DSO expressing a very low duration of the portfolio



Source: Assifact monthly and quarterly statistics; excluding public sector.

3Q 23 Results: Balance Sheet, P&L, Funding and Capital

Main KPIs behind our business

Income Statement (€m)	2020A	2021A	2022A	CAGR '20-'22	9M22	9M23	YoY%
Interest Margin	4.1	6.2	7.3	33.2%	5.7	5.9	3.4%
Net Commission	13.1	17.7	23.6	34.1%	17.1	19.6	14.6%
Net Banking Income	**17.2**	**23.9**	**30.9**	**33.9%**	**22.8**	**25.5**	**11.8%**
Net value adjustments / write-backs for credit risk	(0.7)	(0.2)	(1.2)	30.0%	(0.3)	(0.1)	(54.1%)
Operating Costs	(8.4)	(9.8)	(13.2)	25.4%	(9.8)	(9.7)	(1.7%)
Net Profit	**5.3**	**9.5**	**10.9**	**42.9%**	**8.4**	**10.7**	**26.5%**

(€m)	2020A	2021A	2022A	CAGR '20-'22	9M22	9M23	YoY%
Turnover	760.7	1,402.9	2,009.4	62.5%	1,430.6	1,773.8	24.0%
Allocated Amount	562.0	1,118.5	1,674.0	72.6%	1,183.0	1,482.1	25.3%
LTV	**73.9%**	**79.7%**	**83.3%**	**6.2%**	**82.7%**	**83.6%**	**1.0%**
LTV Pro-solvendo	***73.9%***	***78.6%***	***81.6%***	***5.1%***	***81.4%***	***79.6%***	***-2.3%***

Net Banking Income / Average Loan (%)	11.2%	9.6%	8.7%	(11.5%)	9.2%	8.8%	(4.4%)
Interest Margin / Net Banking Income (%)	23.8%	26.0%	23.5%	(0.5%)	24.9%	23.1%	(7.5%)
Cost Income Ratio	48.7%	40.9%	42.7%	(6.4%)	43.1%	37.9%	(12.1%)
ROE (%)	30.9%	42.0%	23.7%	(12.4%)	24.5%	27.7%	13.1%

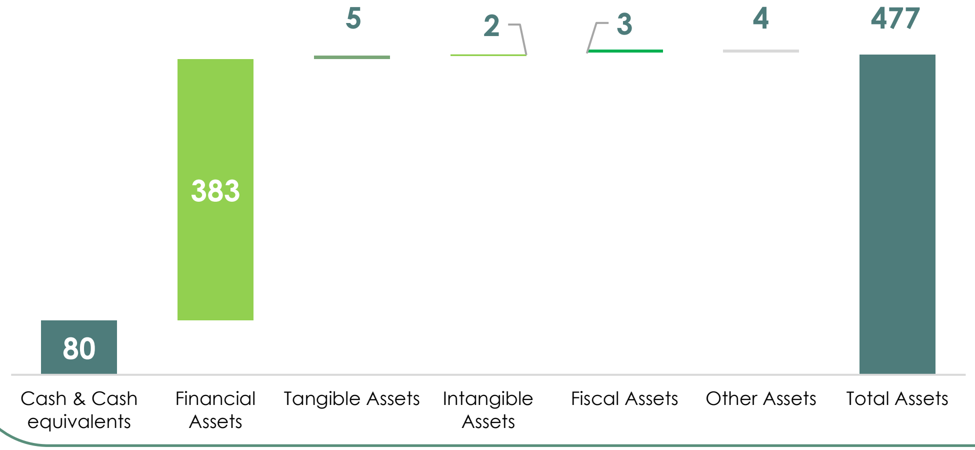
Balance Sheet (€m)	2020A	2021A	2022A	CAGR '20-'22	9M22	9M23	YoY%
Cash & Cash Equivalents	24.2	33.5	43.7	34.3%	56.1	80.3	43.3%
Financial Assets	176.5	321.0	385.4	47.8%	336.1	383.2	14.0%
Other Assets	9.5	10.8	14.7	24.8%	11.4	13.2	15.8%
Total Assets	**210.2**	**365.3**	**443.8**	**45.3%**	**403.6**	**476.7**	**18.1%**
Financial Liabilities	175.4	314.6	368.4	44.9%	327.1	394.3	20.5%
Other Liabilities	12.2	18.7	18.6	23.1%	22.2	20.4	(7.9%)
Total Liabilities	**187.6**	**333.3**	**387.0**	**43.6%**	**349.3**	**414.7**	**18.7%**
Shareholder's Equity	**22.6**	**32.0**	**56.8**	**58.6%**	**54.3**	**62.0**	**14.2%**

Note: Turnover includes Future receivables
ROE = Net Profit / (Equity - Net Profit)
LTV: Pro Solvendo
Net Profit 2022 Adj: 12.1 €mln; Net Profit 9M22 Adj: 9.2 €mln

GENERAL FINANCE

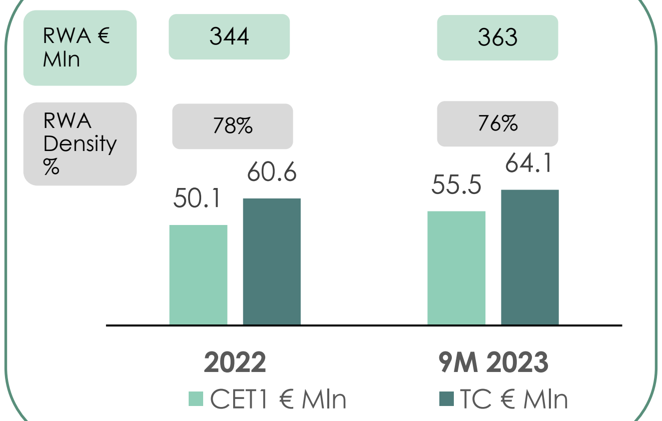
A very simple balance sheet with a strong capital position…

9M 23 Assets Breakdown

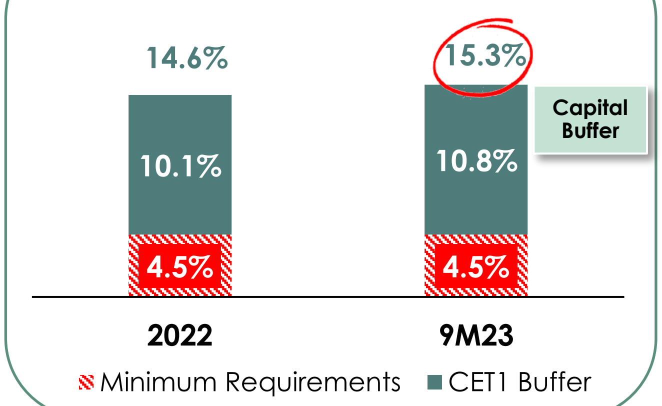


9M 23 Liabilities Breakdown

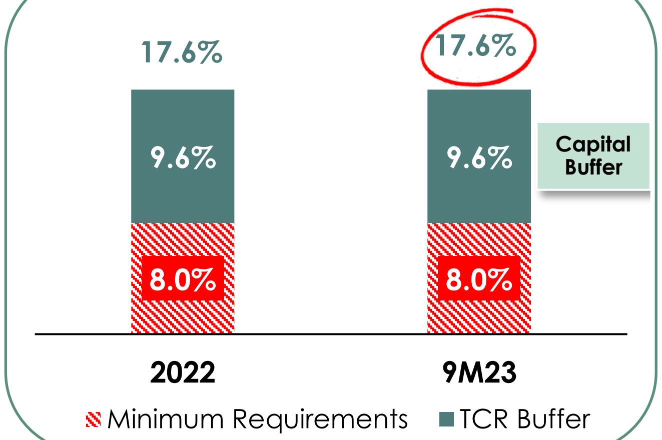
Capital and RWA



CET1 Ratio (%)



Total Capital Ratio (%)



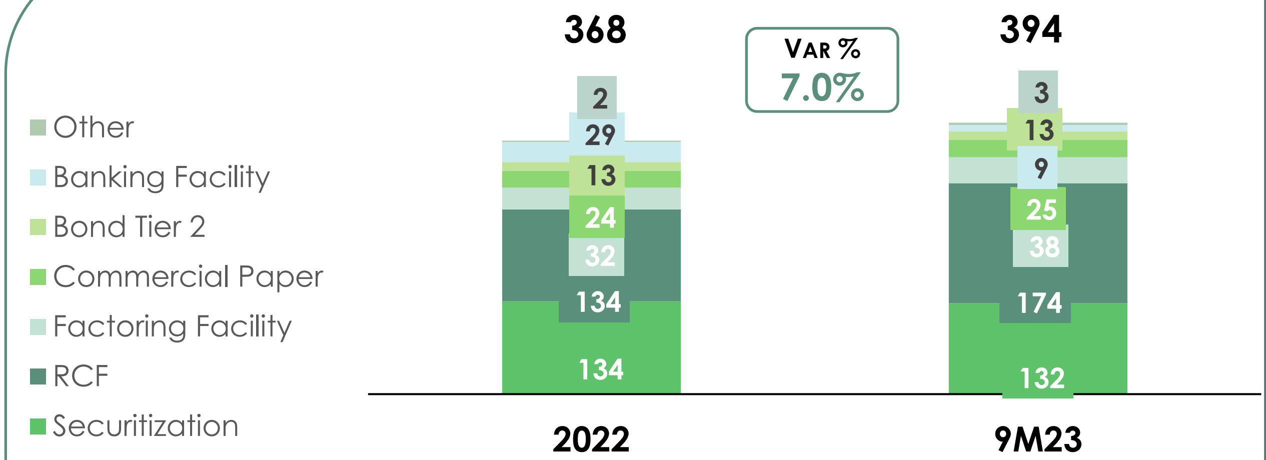
Expected limited impact from the new interpretation regarding the «Definition to Default, DoD» provided by Bank of Italy to the Company for pro-solvedo transaction, see slide 9-10

RWA Density: RWA / Total Asset

Note: CET1 Ratio and Total Capital Ratio calculated taking into account total dividends to be distributed (payout 50% of net profit)

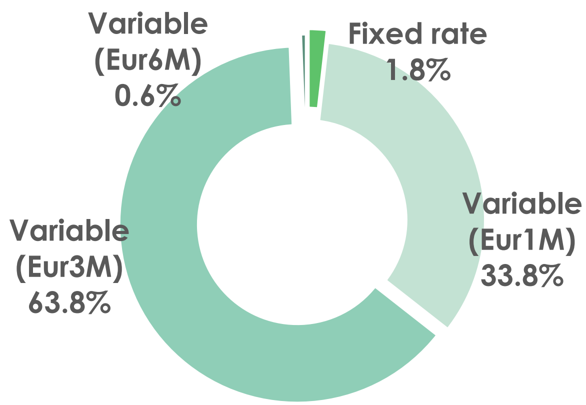
…coupled with a robust funding and liquidity position

2022 – 9M 23 Funding and Cost of Funding (€m, %)

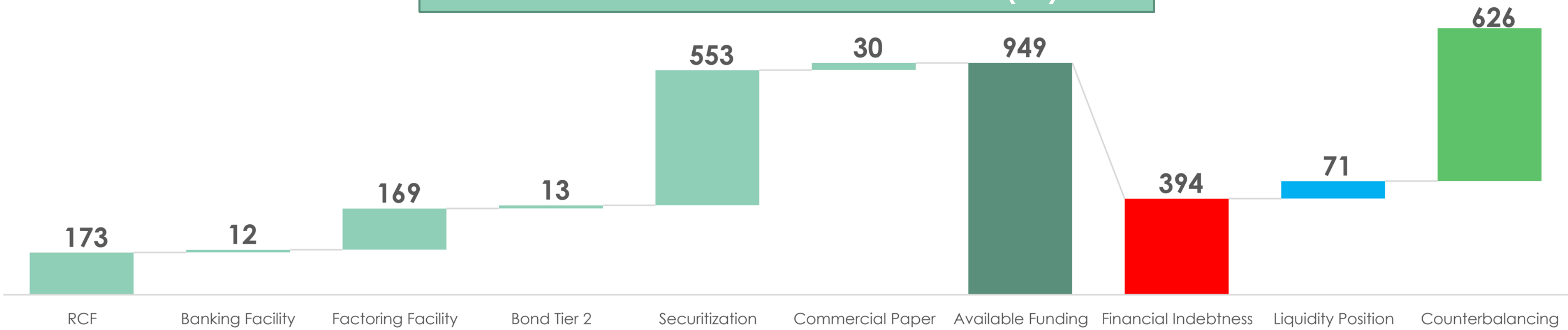


	2022	9M23
Avg cost of funding	2.0%	5.1%
Avg cost of funding excluded Tier 2 Bonds	1.6%	4.8%

9M 23 Funding Breakdown



9M 23 – Total Available Financing Amount (€m)

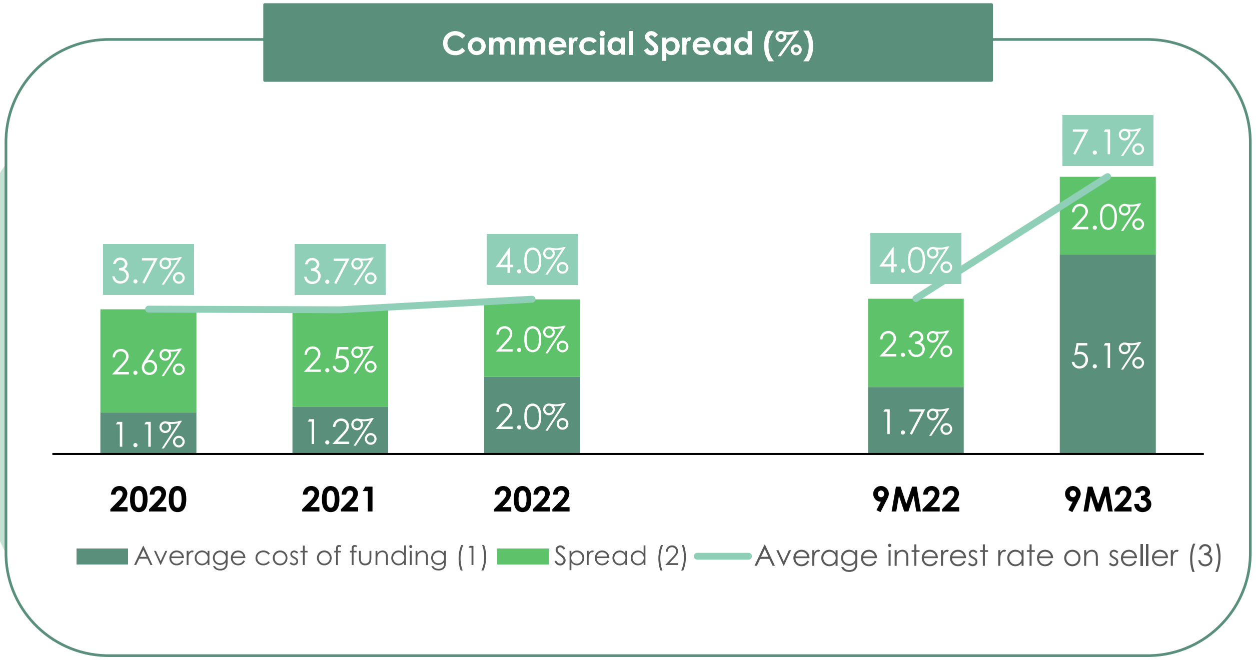


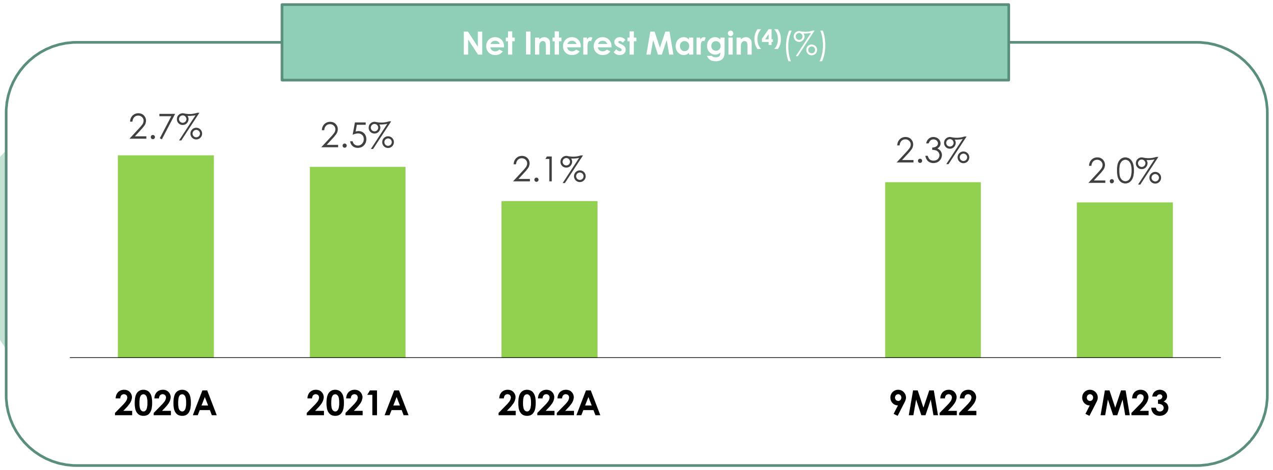
Note: Commercial Papers included in «Fixed Rate»
Liquidity Position: excluding pledge accounts amounting to 9.3 €mln

GENERAL FINANCE

Net interest Income, «hedged» against further interest rate rises

- Net Interest Income **~23%** of the Net Banking Income
- Almost all **funding** available at **variable rates (Eurbor 1M, 3M and 6M)**
- All the factoring contracts have been renegotiated, changing the calculated interest rate from fixed to **variable (based on Euribor 3M)**

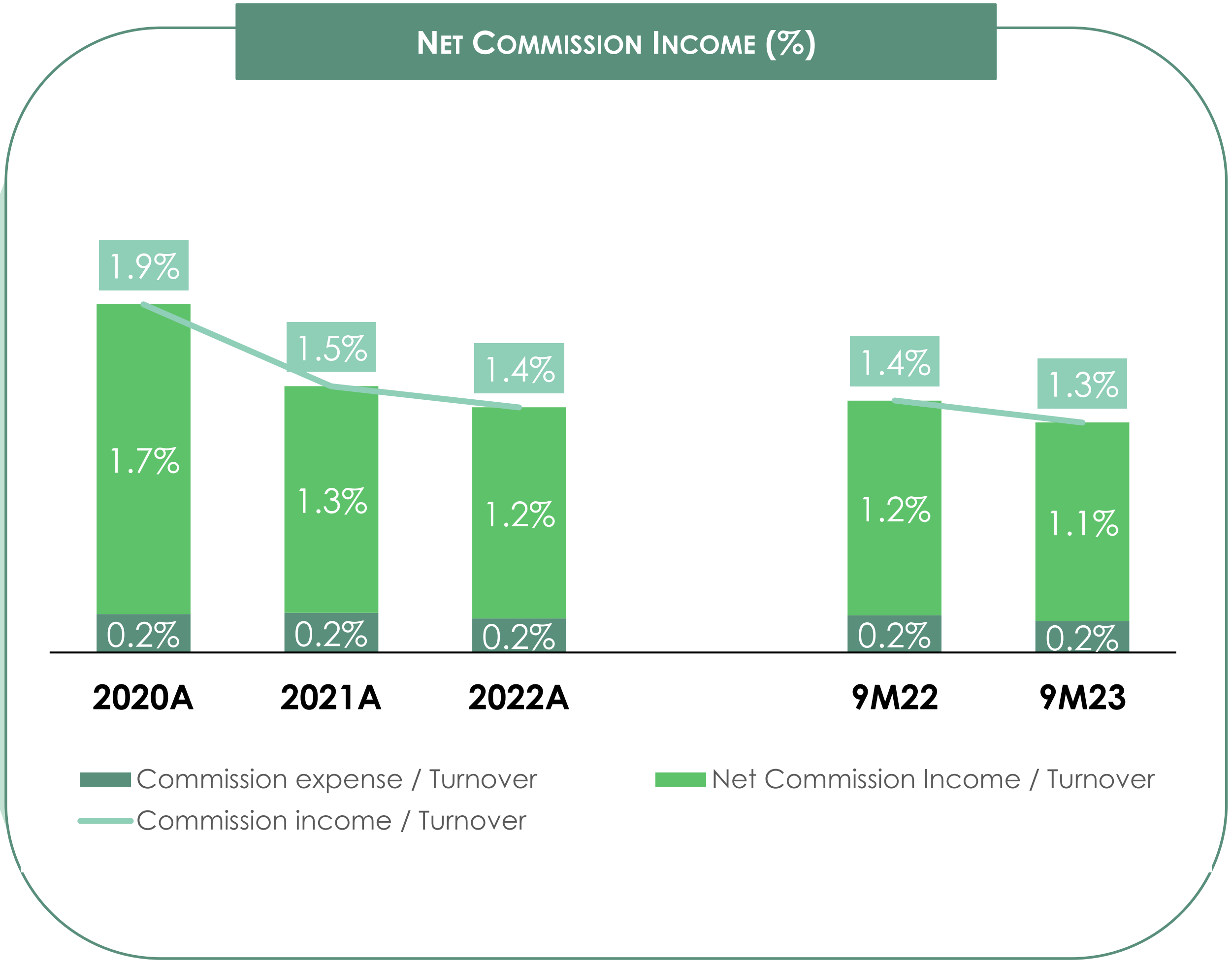




Notes: (1) Calculated as interest expense / average financial liabilities (current and previous year); (2) Spread: average interest rate on seller – average cost of funding (3) Interest income + Delayed payment Interest / average loans (current and previous year); (4) Calculated as Net Interest income/ average loans (current and previous year)

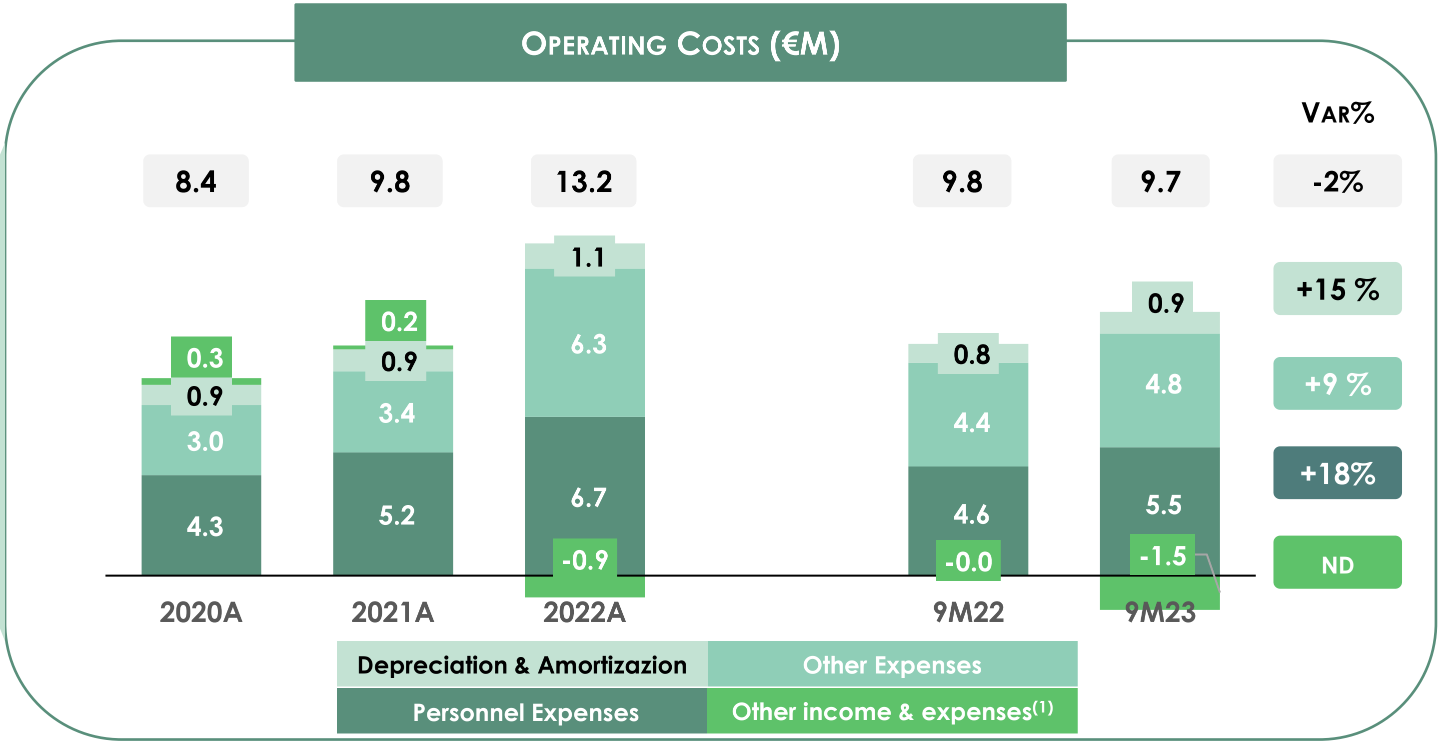
Net commission income, the primary source of profitability

- Net Commission Income **~77%** of the Net Banking Income
- Commission Income/Turnover substantially stable YoY, even with the **different mix of the portfolio** (Corporate Sellers vs Retail Sellers)
- **Stable commission expense rate** thank to optimization of insurance costs and banking fees



Cost / Income reflecting the efficiency of the operating machine

- **#69 FTE** as of 9M 2023
- **#Cost income remaining at excellent levels** due to the high **efficiency** of the operating machine and the **economy of scale (IT proprietary platform)**



	2020	2021	2022	9M22	9M23
# FTE	50	53	63	63	69
Cost income ratio(2) (%)	48.7%	40.9%	42.7%	43.1%	37.9%

Note: (1) other net revenues and risk charges; (2) Operating Costs / Net Banking Income.
Operating costs 9M 2022 Adjusted (net of costs related to IPO): 8.6 €mln
Cost income ratio 9M 2022 Adjusted (net of costs related to IPO): 37.9%

Annex

Income Statement

Income Statement (€m)	9M22	9M23	YoY%
Interest income and similar income	9.8	20.5	108.8%
Interest expense and similar charges	(4.1)	(14.6)	253.6%
INTEREST MARGIN	**5.7**	**5.9**	**3.4%**
Fee and commission income	20.0	22.7	13.2%
Fee and commission expense	(3.0)	(3.1)	5.0%
NET FEE AND COMMISSION INCOME	**17.1**	**19.6**	**14.6%**
Dividends and similar income	0.0	0.0	(100.0%)
Net profi (loss) from trading	(0.0)	0.0	(293.2%)
Net results of other financial a/l measured at fv	0.0	0.0	(100.0%)
NET INTEREST AND OTHER BANKING INCOME	**22.8**	**25.5**	**11.8%**
Net value adjustments / write-backs for credit risk	(0.3)	(0.1)	(54.1%)
a) Financial assets measured at amortised cost	(0.3)	(0.1)	(54.1%)
NET PROFIT (LOSS) FROM FINANCIAL MANAGEMENT	**22.5**	**25.3**	**12.7%**
Administrative expenses	(9.1)	(10.3)	13.6%
a) Personnel expenses	(4.6)	(5.5)	17.7%
b) Other administrative expenses	(4.4)	(4.9)	9.4%
Net provision for risks and charges	(0.0)	(0.0)	0.0%
b) Other net provisions	(0.0)	(0.0)	0.0%
Net value adjustments / write-backs on pppe	(0.6)	(0.6)	8.3%
Net value adjustments / write-backs on int. Ass.	(0.2)	(0.3)	31.1%
Other operating income and expenses	0.0	1.6	3530.4%
OPERATING COSTS	**(9.8)**	**(9.7)**	**(1.7%)**
PRE-TAX PROFIT (LOSS) FROM CURRENT OPERATIONS	**12.7**	**15.7**	**23.9%**
Income tax for the year on current operations	(4.2)	(5.0)	18.6%
PROFIT (LOSS) FOR THE YEAR	**8.4**	**10.7**	**26.5%**

GENERAL FINANCE

Balance Sheet

Balance Sheet (€m)	2022A	9M23	Var% YTD
Cash and cash equivalents	43.7	80.3	83.6%
Financial assets measured at fair value through p/l	0.0	0.0	14.7%
Financial assets measured at amortised cost	385.4	383.2	(0.6%)
Equity investments	0.0	0.0	-
Property, Plan and Equipment (PPE)	4.9	5.1	4.7%
Intangible assets	2.0	2.3	14.4%
Tax assets	4.6	2.7	(40.7%)
a) current	4.1	2.2	(46.3%)
b) deferred	0.5	0.5	15.1%
Other assets	3.2	3.1	(2.5%)
TOTAL ASSETS	**443.8**	**476.7**	**7.4%**
Financial liabilities measured at amortised cost	368.4	394.3	7.0%
a) payables	331.2	356.8	7.8%
b) outstanding securities	37.2	37.4	0.6%
Tax liabilities	4.9	5.1	4.2%
Other liabilities	11.6	12.6	8.1%
Severance pay	1.3	1.4	7.5%
Provision for risk and charges	0.8	1.3	64.0%
Share capital	4.2	4.2	0.0%
Share premium reserve	25.4	25.4	0.0%
Reserves	16.2	21.6	33.7%
Valuation reserves	0.1	0.1	33.3%
Profit (loss) for the year	10.9	10.7	(2.0%)
TOTAL LIABILITIES AND SHAREHOLDERS'S EQUITY	**443.8**	**476.7**	**7.4%**

Business Plan 2022-2024 KPIs

Top Line (€ bn)	2021A	2022A ADJ	2024E	CAGR '21-'24
Turnover	**1,4**	**2,0**	**3,4**	**34%**
Allocated Amount	**1,1**	**1,7**	2,8	36%
LTV (2)	**80%**	**83%**	**83%**	**n.a.**

P&L (€ mn)	2021A	2022A ADJ	2024E	CAGR '21-'24
Interest Margin	6,2	7,3	13,7	30%
Net Commision	17,7	23,6	35,7	26%
Net Banking Income	**23,9**	**30,9**	**49,3**	**27%**
Operating costs	(9,8)	(11,6)	(14,7)	14%
Net Profit	**9,5**	**12,1**	**21,5**	**31%**

BS (€ mn)	2021A	2022A ADJ	2024E	CAGR '21-'24
Cash & Cash Equivalents	33,5	43,7	54,7	18%
Financial Assets	321,0	385,4	697,9	30%
Other Assets	10,8	14,6	13,8	9%
Total Assets	**365,3**	**443,8**	**766,5**	**28%**
Financial Liabilities	314,6	368,4	648,5	27%
Other Liabilities	18,7	17,4	36,7	25%
Shareholder's Equity	**32,0**	**58,0**	**81,3**	**36%**
Total Liabilities	**365,3**	**443,8**	**766,5**	**28%**

KPI (%)	2021A	2022A ADJ	2024E	CAGR '21-'24
Net Banking Income / Average Loans	9,6%	8,7%	8,0%	*n.a.*
Interest Margin / Net Banking Income	26,0%	23,5%	27,8%	*n.a.*
Cost Income Ratio	40,9%	37,7%	29,7%	*n.a.*
ROE	**42,0%**	**26,3%**	**36,0%**	***n.a.***
CET1 Ratio	**9,4%**	**14,6%**	**11,2%**	***n.a.***
Total Capital Ratio	**13,7%**	**17,6%**	**13,3%**	***n.a.***

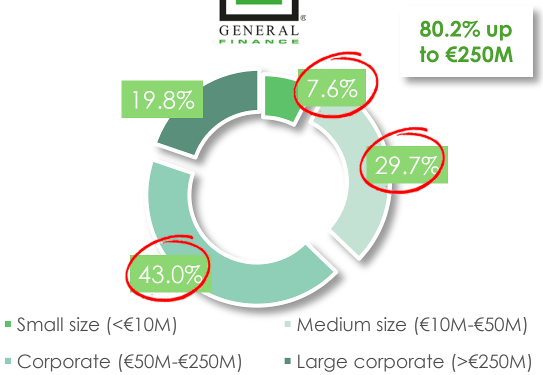
Note: 2022A ADJ means that the values are neutralized from IPO costs € 1,6 mn (2) LTV: Loan to Value

GENERAL FINANCE

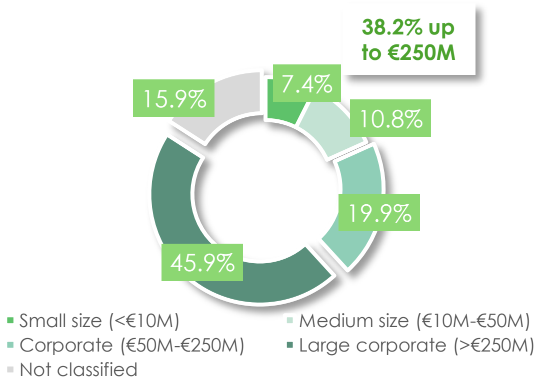
Turnover breakdown vs system average 1/2

Sellers' Diversification by Dimension

GENERAL FINANCE

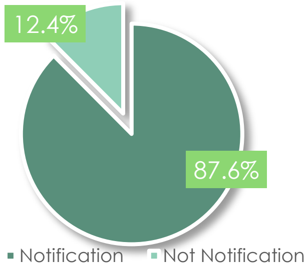


ASSIFACT
Associazione Italiana per il Factoring

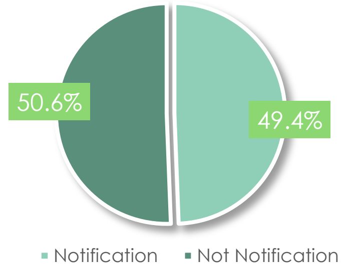


Factoring by Notification Status

GENERAL FINANCE

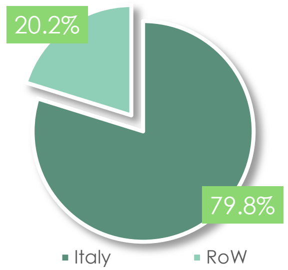


ASSIFACT
Associazione Italiana per il Factoring

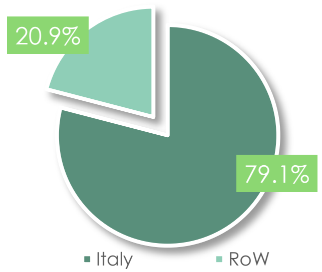


National vs International Turnover

GENERAL FINANCE

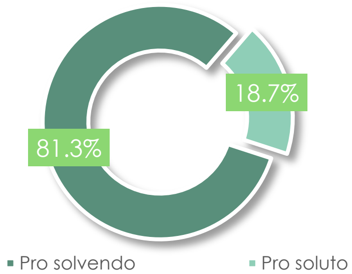


ASSIFACT
Associazione Italiana per il Factoring

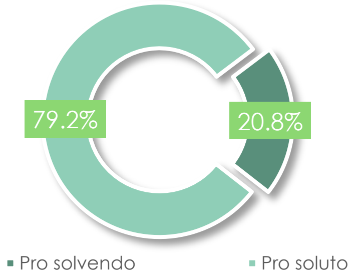


Turnover by product

GENERAL FINANCE



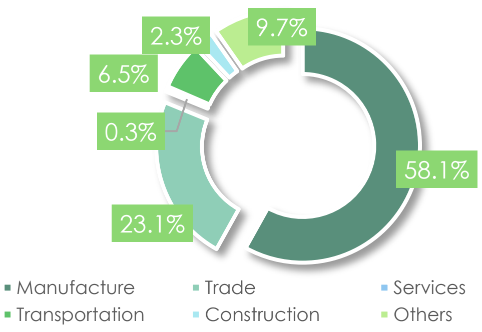
ASSIFACT
Associazione Italiana per il Factoring

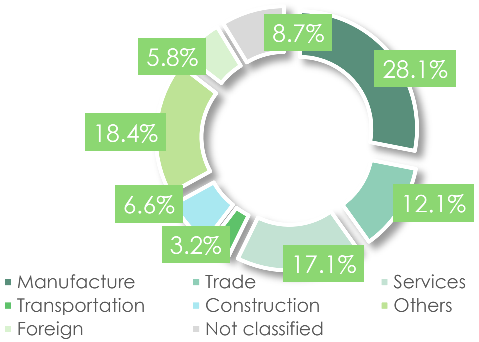


Generalfinance's Turnover data refers to September 30, 2023
Assifact's Turnover data refers to June 30, 2023

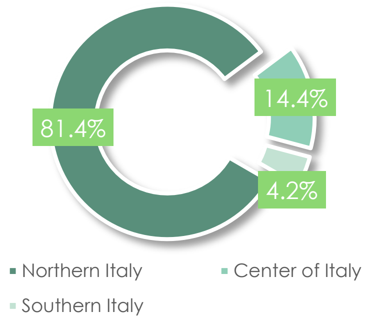
Turnover breakdown vs system average 2/2

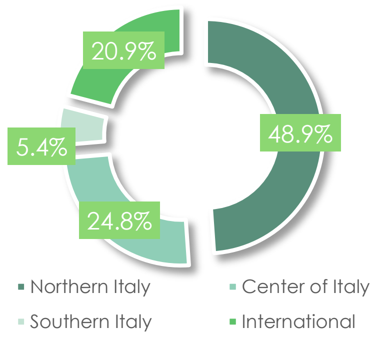
SELLERS' DIVERSIFICATION BY SECTOR





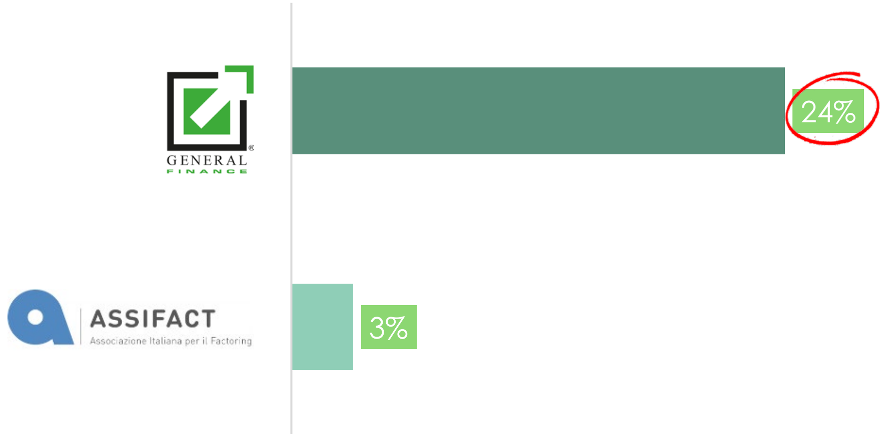
SELLERS' DIVERSIFICATION BY GEOGRAPHY





HIGHER NUMBER OF DEBTORS PER SELLER

TURNOVER - % CHANGE FROM PREVIOUS YEAR



Generalfinance's Turnover data refers to September 30, 2023
Assifact's Turnover data refers to June 30, 2023
1) Household debtors have not been included

Top line components

SINCE 2016, GENERALFINANCE HAS ADOPTED IAS/IFRS ACCOUNTING STANDARDS

PRO SOLVENDO FACTORING

Factoring Commissions

\+

Other Commissions

\+

Interest Income

\+

Interests and commissions derived from delay in payments

PRO SOLUTO FACTORING[1]

Factoring Commissions

\+

Other Commissions

\+

Interest Income

- Deducting from allocated amount
- Accounted in financial statements through accrued income or by cash (other commissions)

- Accounted by cash at the payment time
- Settled within the DPP (Deferred Purchase Price) framework

SIMPLE AND TRANSPARENT P&L PAIRED WITH ALMOST NO VOLATILITY OF FAIR VALUE / CREDIT ADJUSTMENT

Source: Management

Note: 1) Pro soluto Factoring regarding full rights purchase IAS compliant

Revenues' generation – example

PRO SOLVENDO TRANSACTION		Formula	P&L Accounting
Invoice's nominal value	100,000	***a***	
Advance rate	80.00%	***b***	
Gross disbursed amount	**80,000**	***c = a x b***	
Maturity of disbursed amount (days)	88	***e***	
Contractual interest rate	4.00%	***f***	
Interest revenues	**789.04**	***g = (c x f x (e+2)) / 365***	Prepayment
DSO	90	***h***	
Monthly commission rate	0.50%	***i***	
Commission revenues	**1500.00**	***l = a x i x (h/30)***	Prepayment
Total revenues	**2289.04**	***m = g + l***	Prepayment
Net disbursed amount	**77,710.96**	***n = c - m***	
Delay in payment (days)	5	***o***	
Delay in payment interest rate	5.00%	***p***	
Delay in payment commission rate	0.50%	***q***	
Delay in payment interest revenues	**54.79**	***r = (c x p x o) / 365***	Cash basis
Delay in payment commission revenues	**83.33**	***s = a x q x (o/30)***	Cash basis
Delay in payment total revenues	**138.13**	***t = r + s***	Cash basis
Non-advance amount	20,000	***u = a - c***	
Net settlement	**19,861.87**	***v = u - t***	

GENERAL FINANCE

Benefits of pro-solvendo lending contract

The offsetting mechanism is a specific technicality of the Factoring Agreement, which is elaborated consistently with the Assifact standard

ARTICLE 28 OF GENERALFINANCE FACTORING AGREEMENT

"The Factor will be entitled to retain sums and set off the debts (of every kind) due by the Factor to the Seller against the Receivables (of every kind) due from the Seller to the Factor, including the Receivables due from the Seller to third parties and assigned to/guaranteed by the Factor.
Should the Seller default on any of its payment obligations, the Factor will be able to treat its Receivables as liquid and payable, even if not already fallen due. Offsets by the Seller require the prior written consent of the Factor".

A PRACTICAL EXAMPLE:

Seller A

ID Borrower	Nominal Value (A)	LTV (B)	Disbursement (C) = (A x B)	Unpaid	Amount Collected (D)	Amounts not advanced to be settled (D - C)
1	100.000,00	80%	80.000,00	Yes	-	-
2	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
3	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
4	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
5	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
6	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
7	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
8	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
9	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
10	100.000,00	80%	80.000,00	No	100.000,00	20.000,00
	1.000.000,00		**800.000,00**		**900.000,00**	**180.000,00**

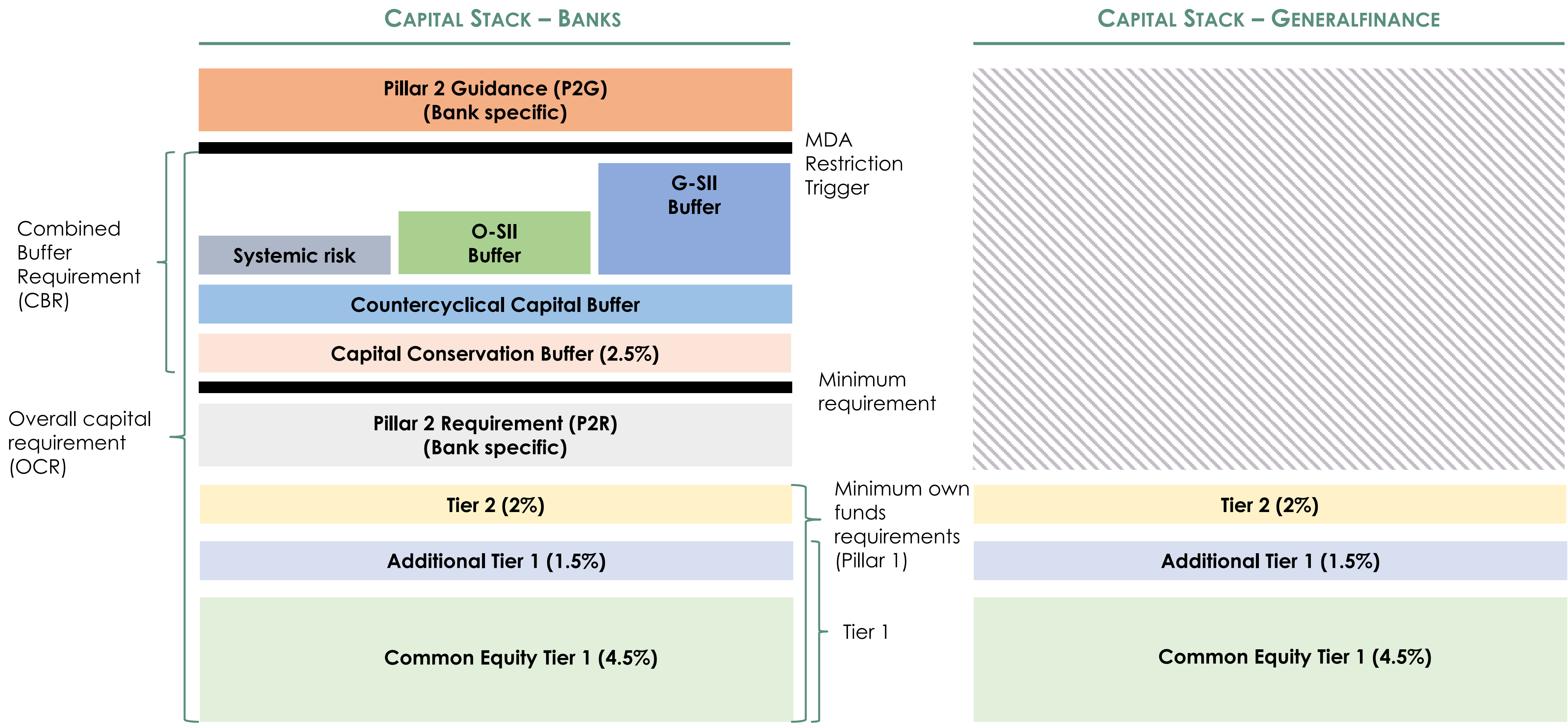
Debts of the Factor	180.000,00
Unpaid debts compensated	80.000,00
Netting to be liquidated	**100.000,00**

In FY 2021, Generalfinance paid an average advance equal to **80%** of Turnover. With regard to the pro-solvendo factoring, Generalfinance is entitled to set off amounts owed by the Sellers to it against amounts owed by Generalfinance to the Sellers based on specific clauses included in the factoring agreement.

The Company has a high Debtor/Seller ratio equal to **58**, growing steadily over the last 3 financial years, against an average of the Italian factoring market - calculated excluding private assigned Debtors - equal to 10[1], which expands the possibilities of **offsetting between receivables and debit items against the Sellers as part of pro-solvendo transactions**.

Source: Management, Assifact. Data as of 31st December 2021
Notes: (1) Net of household debtors

Capital Stack – A capital light lending business



Source: Management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