

# VOBA CB S.R.L.

## Financial Statements at 31/12/2022

Company details	
Name	VOBA CB S.R.L.
Registered office	VIA V. ALFIERI No. 1 31015 CONEGLIANO (TV)
Quota capital	10,000
Fully paid-up quota capital	yes
CCIAA (Chamber of Commerce) code	TV
VAT no.	04994460261
Tax code no.	04994460261
REA ( <i>Repertorio Economico Amministrativo</i> , Administrative Economic Register) no.	416846
Legal status	Limited Liability Company
Core business sector (ATECO, Classification of Economic Activities)	SPV activities (64.99.40)
Company in liquidation	no
Sole-quotaholder company	no
Company subject to third-party management and coordination	yes
Name of the company or entity that carries out management and coordination activities	Banca Popolare dell'Alto Adige S.p.A.
Membership to a group	yes
Name of the parent company	Banca Popolare dell'Alto Adige S.p.A.
Country of the parent company	ITALY
Registration number in the register of cooperative companies	0

	31/12/2022	31/12/2021
<b>Balance sheet</b>		
<b>Assets</b>		
A) Subscribed capital unpaid		
B) Fixed assets		
I – Intangible assets	255	509
II – Property, plant and equipment		
III – Non-current financial assets		
Total fixed assets (B)	255	509
C) Current assets		
I – Inventories		
Property, plant and equipment held for sale		
II - Receivables		
due within 12 months	7,788	7,758
due beyond 12 months		
deferred tax assets		
Total receivables	7,788	7,758
III – Current financial assets		
IV – Cash and cash equivalents	49,238	42,718
Total current assets (C)	57,026	50,476
D) Accrued income and prepaid expenses	10,065	10,421
<b>Total assets</b>	<b>67,346</b>	<b>61,406</b>
<b>Liabilities</b>		
A) Equity		
I – Quota capital	10,000	10,000
II – Premium reserve		
III – Revaluation reserves		
IV – Legal reserve		
V – Reserves required by articles of association		
VI – Other reserves	1	
VII – Cash flow hedge reserve		
VIII – Profits (losses) carried forward		
IX – Profit (loss) for the year		
Loss covered in the year		
X – Negative reserve for own quotas in portfolio		
Total equity	10,001	10,000
B) Provisions for risks and charges		
C) Employee severance pay		
D) Payables		
due within 12 months	52,217	46,373
due beyond 12 months		
Total payables	52,217	46,373
E) Accrued expenses and deferred income	5,128	5,033
<b>Total liabilities</b>	<b>67,346</b>	<b>61,406</b>

	31/12/2022	31/12/2021
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Income statement		
A) Value of production		
1) revenues from sales and services		
2), 3) changes in inventories of work in progress, semi-finished and finished products and contract work in progress		
2) changes in inventories of work in progress, semi-finished and finished products		
3) changes in contract work in progress		
4) capitalisation of internal construction costs		
5) other revenues and income		
operating grants		
others	60,469	60,101
Total other revenues and income	60,469	60,101
Total value of production	60,469	60,101
B) Production costs		
6) raw materials, supplies, consumables and goods for resale		
7) services	59,843	59,148
8) leases and rentals		
9) personnel costs		
a) wages and salaries		
b) social security contributions		
c), d), e) employee severance pay, pension fund, other personnel costs		
c) employee severance pay		
d) pension fund and similar obligations		
e) other costs		
Total personnel costs		
10) amortisation, depreciation and write-downs		
a), b), c) amortisation of intangible assets and depreciation of property, plant and equipment, other write-downs of fixed assets	254	254
a) amortisation of intangible assets	254	254
b) depreciation of property, plant and equipment		
c) other write-downs of fixed assets		
d) write-downs of receivables stated in current assets and of cash and cash equivalents		
Total amortisation, depreciation and write-downs	254	254
11) changes in inventories of raw materials, supplies, consumables and goods for resale		
12) provisions for risks		
13) other provisions		
14) other operating costs	601	568
Total production costs	60,698	59,970
Difference between production value and costs (A - B)	(229)	131
C) Financial income and costs		
15) income from equity investments		
from subsidiaries		
from associates		
from parent companies		
from entities controlled by parent companies		
others		
Total income from equity investments		

16) other financial income		
a) from receivables stated in fixed assets		
from subsidiaries		
from associates		
from parent companies		
from entities controlled by parent companies		
others		
Total financial income from receivables stated in fixed assets		
b), c) from securities stated in fixed assets other than equity investments and from securities stated in current assets other than equity investments		
b) from securities stated in fixed assets other than equity investments		
c) from securities stated in current assets other than equity investments		
d) income other than the foregoing		
from subsidiaries		
from associates		
from parent companies		
from entities controlled by parent companies		
others	114	
Total income other than the foregoing	114	
Total other financial income	114	
17) interest and other financial costs		
to subsidiaries		
to associates		
to parent companies		
to entities controlled by parent companies		
others		
Total interest and other financial costs		
17-bis) foreign exchange gains and losses		
Total financial income and costs (15 + 16 - 17 + - 17-bis)	114	
D) Value adjustments to financial assets and liabilities		
18) revaluations		
a) of equity investments		
b) of non-current financial assets other than equity investments		
c) of securities stated in current assets other than equity investments		
d) of derivatives		
of financial assets for cash pooling		
Total revaluations		
19) write-downs		
a) of equity investments		
b) of non-current financial assets other than equity investments		
c) of securities stated in current assets other than equity investments		
d) of derivatives		
of financial assets for cash pooling		
Total write-downs		
Total value adjustments to financial assets and liabilities (18 - 19)		
Profit (loss) before tax (A - B + - C + - D)	(115)	131
20) Current taxes, deferred tax assets and liabilities for the year		

current taxes		115
tax relating to previous years	(115)	16
deferred tax assets and liabilities		
income (costs) from tax consolidation / tax transparency scheme		
Total current taxes, deferred tax assets and liabilities for the year	(115)	131
21) Profit (loss) for the year		

## Notes to the Financial Statements at 31/12/2022

### Notes to the financial statements, opening part

#### The Company's business

Dear Quotaholders, these Explanatory Notes form an integral part of the Financial Statements at 31 December 2022.

The Financial Statements comply with the provisions laid down in Articles 2423 and ff. of the Italian Civil Code and the Italian GAAPs as published by the Italian Accounting Board (*Organismo Italiano di Contabilità*); therefore, they give a true and fair view of the Company's financial position, results of operations and cash flows for the year in a clear manner.

The Company was established on 30 January 2019 pursuant to Law no. 130 of 30 April 1999, which lays down provisions governing the implementation of securitisation transactions in Italy.

Legislative Decree no. 141 of 2010, as amended, provides that the securitisation SPVs must be established as joint-stock companies.

In compliance with the Articles of Association and the law cited above, the Company's sole purpose is the acquisition, from Banca Popolare dell'Alto Adige S.p.A. or from the banks belonging to the Banca Popolare dell'Alto Adige Banking Group (hereinafter the "Banks"), concerning the assets listed below, for valuable consideration, within one or more issues of covered bonds (*Obbligazioni Bancarie Garantite*) (including both single issues and issue programmes) carried out pursuant to Article 7-bis of Law no. 130 of 30 April 1999, as amended and supplemented and related implementing provisions:

- (i) land and mortgage loans, which can also be identified in bulk;
- (ii) receivables that are claimed from or secured by public authorities and securities issued or guaranteed under the same terms, which can also be identified in bulk;
- (iii) securities issued within securitisation transactions concerning receivables that are of the same type;

(iv) additional eligible assets or supplementary eligible assets that are permitted by the aforesaid regulations;

through the raising of loans granted or secured by the Banks, as well as the provision of guarantees for bonds issued by the Banks themselves or by other banks.

The Company will carry out the abovementioned activities according to such terms and conditions and in such manners as those set out in the regulations applicable to the issues of covered bonds pursuant to Article 7-*bis* of Law no. 130 of 30 April 1999, as amended and supplemented and related implementing provisions.

In accordance with the aforesaid provisions of law, the receivables and securities purchased by the Company and the amounts paid out by the related debtors are aimed at satisfying the claims, also pursuant to Article 1180 of the Italian Civil Code, granted to the holders of the covered bonds referred to in Article 7-*bis*, paragraph 1, of Law no. 130 of 30 April 1999 and issued within the context of the issues in which the Company participates and to the benefit of which the Company has provided guarantees, as well as of the counterparties to the derivative contracts entered into to hedge the risks associated with the receivables and securities purchased and to any other additional contract. They are also aimed at the payment of other transaction costs, on a priority basis with respect to the repayment of loans granted or secured by the assignor Banks pursuant to Article 7-*bis*, paragraph 1, of Law no. 130 of 30 April 1999.

Any receivables and securities purchased by the Company within each issue transaction or programme constitute assets which are separate for all purposes both from the Company's assets and from those relating to other issues transactions or programmes, in relation to which no actions may be taken by any creditors other than the holders of the covered bonds issued and by the additional creditors referred to in the previous paragraph.

Within the limits permitted by Law no. 130 of 30 April 1999 and related implementing provisions, the Company may also carry out additional transactions to be entered into for the provision of guarantees and the successful completion of the transactions or programmes for the issue of covered bonds in which it participates, as well as may carry out transactions of re-investment in eligible assets and supplementary eligible assets and in other financial assets of funds deriving from the management of the receivables and securities which are purchased pursuant to this corporate purpose and which are not immediately used to satisfy the rights of the holders of covered bonds (issued within said issues) and to pay transaction costs.

Within the issue of covered bonds in which the Company participates, and in compliance with Law no. 130 of 1999 and related implementing provisions, the Company may appoint third-party persons for the collection of any purchased receivables and for the provision of cash and payment services; it may also carry out any other activity permitted by Article 7-*bis* of Law no. 130 of 1999 and by any related implementing provisions.

## General principles for the preparation of financial statements

In compliance with the provisions of Article 3, paragraph 2, of Law no. 130 of 1999, which stipulates that the receivables relating to each transaction, any related receipts and financial assets purchased with them will constitute assets which are separate for all purposes both from the Company's assets and from those relating to any other transaction; the accounting records concerning corporate management operations are reported separately from those concerning segregated assets (the object of the securitisation transaction); the structure of this file reflects the aforesaid segregation, reporting the financial position and results of operations relating to corporate management operations in the financial statement schedules, and the result from the securitisation transaction for the 2022 financial year in an attached statement.

The Financial Statements comply with the provisions laid down in Articles 2423 and ff. of the Italian Civil Code and the Italian GAAPs, as published by the Italian Accounting Board (*Organismo Italiano di Contabilità*); therefore, they give a true and fair view of the Company's financial position, results of operations and cash flows for the year in a clear manner.

The content of the Balance Sheet and of the Income Statement, which is only limited to reporting corporate management operations, is then that required by Articles 2424 and 2425 of the Italian Civil Code.

The Notes to the Financial Statements, which have been prepared pursuant to Article 2427 of the Italian Civil Code, provide any and all information that is useful to allow a correct interpretation of the Financial Statements and specifically include a specific Annex providing information about the Securitised Operations.

It should be noted that the Italian Civil Code's provisions governing the reporting of the corporate management operations have been applied as a result of the exclusion of securitisation SPVs, pursuant to Law no. 130 of 1999, from the group of entities that can be described as non-bank financial intermediaries following the Reform of Title V that was completed under Legislative Decree no. 141 of 2010 and subsequent amending decrees, the accounting effects of which were provided for in the abovementioned Legislative Decree no. 136 of 2015.

Securitised assets, which are reported separately from corporate assets, have been stated in line with the provisions of the Bank of Italy's Order of 29 March 2000, according to which the purchased financial assets, the securities issued and any other transaction completed within the scope of the securitisation transaction are reported in a specific Statement and described in a specific Annex attached to the Notes to the Financial Statements and do not form part of the Schedules of Financial Statements. The Annex must be regarded as forming an integral part of these Financial Statements.

It should be noted that this method of accounting has been applied despite the order ceased to be effective

from the repeal, under Legislative Decree no. 136 of 2015, involving Legislative Decree no. 87 of 1992, of which it had been a direct issue, and although such segregation is not governed by any provision of the Italian Civil Code.

While pending the enactment of new rules aimed at replacing those previously in force in the regulation of the financial statements of securitisation SPVs, the Company has applied the options described above, since they are more consistent with the regulatory provisions in force, as well as more suitable in order to provide information on the Company's financial position, results of operations and cash flows which is useful for the users of the Financial Statements in making decisions of an economic nature and which, at the same time, appears to be important, reliable, comparable and comprehensible, both as regards corporate management operations and as regards segregated assets.

These options are also based on the compliance with the general principle of continuity in the description of management events in order to make the Financial Statements more understandable; they have also considered that 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 examined on the part of the bodies responsible for interpreting statutory accounting standards.

It should be noted that, given that the requirements of Article 2435-*bis*, paragraph 1, of the Italian Civil Code are met, the Financial Statements have been prepared in condensed form in accordance with the provisions of the abovementioned article.

Pursuant to Article 2435-*bis* of the Italian Civil Code, the companies that prepare condensed financial statements are exempt from drawing up the cash flow statement and benefit from simplifications in drawing up the balance sheet, income statement and the explanatory notes.

Specifically, as required by Article 2435-*bis*, the Explanatory Notes provide the information required by numbers 3) and 4) of Article 2428 of the Italian Civil Code; therefore, the Report on Operations has not been prepared.

It should also be noted that on 4 September 2015 Legislative Decree no. 139 of 2015 was published, which became effective for the financial statements of financial years beginning from 1 January 2016 and pursuant to which important amendments were applied to the accounting policies concerning some items of the Financial Statements of companies required to comply with the accounting rules laid down in the Italian Civil Code and in the Italian GAAPs.

While pending the enactment of an express regulatory clarification concerning the applicability of these amendments to the segregated assets of securitisation SPVs, the Company has decided to continue to apply, in compliance with the principle of continuity, the same accounting policies concerning the items of the offering circular, which are detailed in the Annex to the Notes to the Financial Statements, in the paragraph on "Information relating to the Summary Statement", to which reference should be made.



The Financial Statements, as well as these Explanatory Notes, have been prepared in Euro units. The items of Financial Statements have been measured in compliance with the principle of prudence and on a going-concern basis. Pursuant to Article 2423-*bis*, paragraph 1.1-*bis* of the Italian Civil Code, the items have been recognised and reported by taking account of the substance of the transaction or of the contract.

In preparing the Financial Statements, income and costs have been entered on an accruals basis, regardless of the date when the related cash flows occurred. Therefore, account has also been taken of any risks and losses that accrued during the period, even if known after the end of the year.

During the preparation of the Financial Statements, an assessment was made of whether the requirements were met in relation to the Company's ability to operate as a going concern within a time horizon of at least twelve months after the reporting date of the Financial Statements. In order to make this assessment, all available information was taken into account, as was the specific activity carried out by the Company, whose sole purpose is to carry out one or more securitisation transactions in accordance with Law no. 130 of 30 April 1999.

Accordingly, these Financial Statements have been prepared on a going concern basis, as no events have occurred or conditions have been fulfilled which could have raised doubt on the Company's ability to continue to operate as a going concern.

## **Accounting policies**

### **Fixed assets**

#### Intangible assets

These are stated at the historical cost of acquisition and shown net of amortisation carried out over the financial years and charged directly to each item.

Start-up and expansion costs are amortised over a period not exceeding five years.

### **Receivables**

Receivables stated under current assets have been recognised in the Financial Statements according to the presumed realisable value, in accordance with Article 2435-*bis* of the Italian Civil Code, which provides for the derogation from the application of Article 2426, paragraph 1, no. 8, of the Italian Civil Code, concerning the recognition of receivables at amortised cost.

The adjustment at presumed realisable value was made, where necessary, by setting aside a provision for bad debts.

### **Equity**

The items have been recognised in the accounts at their book value according to the instructions laid down in the Italian Accounting Board principle OIC 28.

### **Payables**

Payables have been recognised in the accounts at their nominal value as required by Article 2435-*bis* of the Italian Civil Code, as an exception to the recognition at amortised cost, provided for in Article 2426, paragraph 1, no. 8, of the Italian Civil Code.

### **Accruals and deferrals**

These have been determined according to the criterion of the actual period of accruals. As regards long-term accruals and deferrals, the conditions that determined their initial recognition have been verified, adopting any appropriate change, if necessary.

### **Income tax**

Provisions for tax are set aside on an accruals basis; they therefore consist of:

- provisions for tax paid or payable for the year, as determined according to current rates and regulations;
- the amount of tax deferred or paid in advance in relation to temporary differences arising or reversed during the year.

### **Revenue recognition**

Revenues are stated on an accruals basis, net of returns, allowances, discounts and premiums, as well as any related direct tax.

They mainly relate to the form of replenishment that the corporate management operations are entitled to accrue against segregated assets following the payment of its related operating costs.

### **Cost recognition**

Costs and charges are charged on an accruals basis and according to their nature, net of returns, allowances, discounts and premiums, in accordance with the principle of matching costs and revenues, and are entered

under their respective items as required by the Italian Accounting Board principle OIC 12. In the case of any purchase of services, the related costs are recognised when the service is received, while, in the case of any provision of services on an ongoing basis, the related costs are recognised for the accrued portion.

## **Other information**

### **Significant events that occurred during the year**

With reference to the Company no significant events are reported which occurred during the year.

The 2022 financial year was marked by a general framework characterised by geopolitical tensions generated by the Russian-Ukrainian conflict, with inevitable effects on growth and inflation triggered by the rising cost of raw materials, particularly energy.

The eruption of the conflict in Ukraine has abruptly dashed the hope of a return to normality after the Covid-19 health emergency, which became apparent at the end of 2021 due to a lower number of hospitalisations, the easing of restrictive measures and the gradual adaptation to them on the part of the population, paving the way for a new phase of living with the virus and, therefore, a gradual archiving of risks to the economy.

The hostilities have demanded heavy humanitarian intervention and have triggered an energy crisis in Europe while also contributing, to an appreciable extent, to an increase in international prices of global food and raw materials, which have risen to decade highs. This has thus exacerbated those inflationary pressures that were already made acute by the adverse impact of the pandemic on global supply chains.

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

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

The expansion of EU sanctions against Russia has further aggravated supply constraints and has adversely affected energy prices. Given the even more significant increase in producer prices, there is concern that the current trend in consumer prices is not likely to subside so quickly, casting shadow on the outlook for consumption. The general rise in interest rates as a result of measures taken by central banks to combat inflation has caused an equally significant disruption in bond markets.

The conflict under consideration and the sanctions imposed by the international community on the government, companies and economy of Russia, as well as the countermeasures put in place by the latter

country, have led to a situation of high uncertainty at the macroeconomic level, exchange rates, costs of energy and raw materials, the cost of debt, inflationary expectations and the cost of credit.

The economic performance in Italy in 2022 was naturally affected by the difficult environment described above.

After a sharp rise recorded in the first quarters of the year, while continuing to benefit from the use of Next Generation EU funds, growth slowed down, particularly in the last quarter of the year, which was also due to a marked change in the direction of monetary policy and a sharp surge recorded in interest rates as a result of the measures taken by central banks to combat inflation. This was also contributed to by both attenuated recovery of value added in services, which returned to pre-pandemic values as early as in the summer months, and a decline in industrial production. Household spending slowed, despite measures to support disposable income amid high inflation.

With regard to segregated assets it should be noted that:

- on the Payment Date of 27 January 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 79,000,000;
- on the Payment Date of 27 April 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 15,000,000;
- on the Payment Date of 27 July 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 23,500,000;
- on the Payment Date of 27 October 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 15,000,000.

It should be noted that the repayments made in 2022 did not result in any breach of the Tests pursuant to Article 6.3.1 of the Subordinated Loan Agreement.

It should also be noted that, following the end of the previous Financial Year, on the Payment Date of 27 January 2023, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan

Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 15,000,000. It should be noted that the repayment did not result in any breach of the Tests pursuant to Article 6.3.1 of the Subordinated Loan Agreement.

## Notes to the financial statements, assets

Asset items have been stated in accordance with the Italian GAAPs; the specific criteria applied are described in the sections relating to each item.

### Fixed assets

These are only made up of start-up and expansion costs.

Start-up and expansion costs have been recognised under the Balance Sheet assets since they have a long-term maturity and are amortised systematically over a period not exceeding five years.

### Changes in fixed assets

	Intangible assets	Property, plant and equipment	Non-current financial assets	Total fixed assets
<b>Value at the beginning of the year</b>				
Cost	509			509
Revaluations				
Amortisation (Amortisation Fund)				
Write-downs				
Book value	509			509
<b>Changes for the year</b>				
Increases for acquisitions				
Reclassifications (of the book value)				
Decreases for sales and disposals (in the book value)				
Revaluations made in the year				
Amortisation for the year	254			254
Write-downs made in the year				
Other changes				
Total changes	(254)			(254)
<b>Value at the end of the year</b>				
Cost	255			255
Revaluations				
Amortisation (Amortisation Fund)				
Write-downs				

Book value	255			255
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## Current assets

Current asset items have been measured as required by numbers 8 to 11-*bis* of Article 2426 of the Italian Civil Code. The criteria used are reported in the paragraphs concerning the respective items of Financial Statements.

## Receivables stated in current assets

The table below shows the balance of receivables stated in current assets (Article 2427, paragraphs 4 and 6 of the Italian Civil Code).

Balance at 31/12/2022	Balance at 31/12/2021	Changes
7,788	7,758	30

## Changes and maturity of receivables stated in current assets

The table below shows the breakdown of the items stated in current assets.

“Tax receivables” relate to :

- IRES (Corporate Income) tax credits claimed from the Tax Office;
- withholdings applied on interest income accrued on the core operations current account.

	Value at the beginning of the year	Change for the year	Value at the end of the year	Amount due within 12 months	Amount due beyond 12 months	Of which with a residual maturity of more than 5 years
Receivables from customers stated in current assets						
Receivables from subsidiaries stated in						

current assets						
Receivables from associates stated in current assets						
Receivables from parent companies stated in current assets						
Receivables from entities controlled by parent companies						
Tax receivables stated in current assets	7,758	30	7,788	7,788		
Deferred tax assets stated in current assets						
Receivables from others stated in current assets						
Total receivables stated in current assets	7,758	30	7,788	7,788		

## Cash and cash equivalents

	Value at the beginning of the year	Change in the year	Value at the end of the year
Bank and postal deposits	42,718	6,520	49,238
Cheques			
Money and other cash on hand			
Total cash and cash equivalents	42,718	6,520	49,238

The balance, as detailed above, consists of the amount and the changes in cash and cash equivalents existing at the end of the financial year (Article 2427, paragraph 4, of the Italian Civil Code).

## Accrued income and prepaid expenses

Accrued income and prepaid expenses have been calculated according to the accruals principle, through the allocation of revenues and/or costs common to two financial years.

Balance at 31/12/2022	Balance at 31/12/2021	Changes
10,065	10,421	(356)

“Accrued income” includes the accrual of the Corporate Servicer Fee, the fee that the corporate management operations receive on a periodical basis from the securitisation segregated assets for the administrative and corporate management service of the SPV company accruing at 31 December 2022, under the Administrative Services Agreement.

“Prepaid expenses” include deferred costs of the “Stichting corporate management” operations, pertaining to the subsequent Financial Year.

	Accrued income	Prepaid expenses	Total accrued income and prepaid expenses
Value at the beginning of the year	5,033	5,388	10,421
Change in the year	95	(451)	(356)
Value at the end of the year	5,128	4,937	10,065

## Notes to the financial statements, liabilities and equity

Equity and Balance Sheet liability items have been stated in accordance with the Italian GAAPs; the specific criteria applied are described in the sections relating to each item.

### Equity

The items have been recognised in the Financial Statements at their book value according to the instructions laid down in the Italian Accounting Board principle OIC 28.

With reference to the year just ending, the tables below show the changes in each individual equity item, as well as the breakdown of other reserves, if any, in the Financial Statements.

Balance at 31/12/2022	Balance at 31/12/2021	Changes
10,001	10,000	1

### Changes in equity



	Value at the beginning of the year	Allocation of the result for the previous year		Other changes			Profit (loss) for the year	Value at the end of the year
		Distribution of dividends	Other allocations	Increases	Decreases	Reclassifications		
Quota capital	10,000							10,000
Issue premium reserve								
Revaluation reserves								
Legal reserve								
Reserves required by the articles of association								
Extraordinary reserve								
Reserve from exceptions under Article 2423 of the Italian Civil Code								
Reserve for shares or quotas of the parent company								
Reserve from revaluation of equity investments								
Payments on account of capital increase								
Payments on account of future capital increase								
Payments on account of capital								
Payments for loss coverage								
Reserve from capital decrease								
Reserve								

from merger surplus								
Reserve for unrealised foreign exchange gains								
Reserve from ongoing adjustments to profits								
Sundry other reserves			1					1
Total other reserves			1					1
Cash flow hedge reserve								
Profits (losses) carried forward								
Profit (loss) for the year								
Loss covered in the year								
Negative reserve for own quotas in portfolio								
Total equity	10,000		1					10,001

## Payables

### Changes and maturity of payables

The table below provides information relating to changes in payables and information (if any) relating to their maturity.

The maturity of payables is broken down as follows (Article 2427, paragraph 1, no. 6, of the Italian Civil Code).

	Value at the beginning of the year	Change in the year	Value at the end of the year	Amount due within 12 months	Amount due beyond 12 months	Of which with a residual maturity of more than 5 years
Bonds						
Convertible bonds						
Payables for						

quotaholder loans					
Payables to banks					
Payables to other lenders					
Advances					
Payables to suppliers	29,367	(657)	28,710	28,710	
Payables represented by debt instruments					
Payables to subsidiaries					
Payables to associates					
Payables to parent companies					
Payables to entities controlled by parent companies					
Tax payables	344	(326)	18	18	
Payables to social security institutions					
Other payables	16,661	6,828	23,489	23,489	
Total payables	46,373	5,844	52,217	52,217	

\*It should be noted that the item relating to advances received from securitised management operations, previously stated as "Advances", has been reclassified to "Other payables."

“Payables to suppliers” relate to invoices for the provision of services relating to 2022 (i) which had been received and not yet paid at the end of the financial year and (ii) which had not been received as at the reporting date of the Financial Statements.

“Tax payables” relate to the VAT to be paid to the Tax Office.

"Other payables" relate to the advances that the corporate management operations receive from securitised management operations for the payment of its operating expenses.

## Accrued expenses and deferred income

Accrued expenses and deferred income have been calculated according to the accruals principle, through the allocation of revenues and/or costs common to two financial years.

The statement below reports the breakdown of the items in question, insofar as they have been stated in the Financial Statements.

	Accrued expenses	Deferred income	Total accrued expenses and
--	------------------	-----------------	----------------------------

			<b>deferred income</b>
Value at the beginning of the year	5,033		5,033
Change in the year	95		95
Value at the end of the year	5,128		5,128

“Accrued expenses” were originated from the cost for the administrative and corporate management of the SPV company, which is calculated as per contract on an annual basis, accruing at 31 December 2022, for which the supplier will issue the invoice in the next Financial Year.

## Notes to the financial statements, income statement

The Income Statement shows the result of operations for the financial year.

It provides a description of the operations based on a summary of the positive and negative income components that contributed to determining the results of operations. Positive and negative income components, which have been stated in the Financial Statements as required by Article 2425-*bis* of the Italian Civil Code, are broken down according to the recognition within the scope of the various operations: i.e. core business, additional and financial operations.

Core business operations identify any income components generated from operations that are carried out on an ongoing basis and in the sector relevant to the performance of operations, which identify and define the peculiar and distinctive part of the economic activity carried out by the Company, for which it is finalised.

Given the nature of the business of the Company, which is established specifically to carry out securitisation transactions, core business is dedicated to ensuring the Company’s operation by incurring the costs of its existence and the application of the contractual provision that allows for their chargeback to securitised assets.

Financial operations include transactions that generate financial income and costs.

On a residual basis, additional operations include transactions that generate income components that form part of ordinary operations but do not fall within the scope of core business and financial operations. The Company does not carry out any additional activity.

## Production value

Revenues are stated on an accruals basis, net of returns, allowances, discounts and premiums, as well as of any tax directly attributable thereto.

Balance at 31/12/2022	Balance at 31/12/2021	Changes
60,469	60,101	368

Description	31/12/2022	31/12/2021	Changes
Revenues from sales and services			
Changes in inventories of products			
Changes in contract work in progress			
Capitalisation of internal construction costs			
Other revenues and income	60,469	60,101	368
<b>Total</b>	<b>60,469</b>	<b>60,101</b>	<b>368</b>

## Production costs

Costs and charges are charged on an accruals basis and according to their nature, net of returns, allowances, discounts and premiums, in accordance with the principle of matching costs and revenues, and are entered under their respective items as required by the Italian Accounting Board principle OIC 12. In the case of any purchase of services, the related costs are recognised when the service is received, while, in the case of any provision of services on an ongoing basis, the related costs are recognised for the accrued portion.

No provision has been set aside in the income statement for deferred tax assets and liabilities, as there are no temporary differences between the tax charge from the Financial Statements and theoretical tax charge.

Balance at 31/12/2022	Balance at 31/12/2021	Changes
60,698	59,970	728

Description	31/12/2022	31/12/2021	Changes
Raw materials, supplies and goods for resale			
Services	59,843	59,148	695
Leases and rentals			
Wages and salaries			
Social security contributions			
Employee severance pay			
Pension fund and similar obligations			
Other personnel costs			
Amortisation of intangible assets	254	254	
Depreciation of property, plant and equipment			
Other write-downs of fixed assets			
Write-downs of receivables stated in current assets			
Change in inventories of raw materials			
Provision for risks			
Other provisions			
Other operating costs	601	568	33
<b>Total</b>	<b>60,698</b>	<b>59,970</b>	<b>728</b>

## Notes to the financial statements, other information

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

### Employment data

The Company did not employ any staff member during the current financial year.

### Fees, advances and loans granted to directors and statutory auditors and commitments undertaken on their behalf

The Company has not passed any resolution about fees, and no advances or loans are in place, in favour of the governing body. Furthermore, it has not undertaken any commitment on behalf of the governing body as a result of guarantees of any type given.

It is specified that there are no loans in place, and no guarantees have been issued in favour of the governing body.

### Fees due to independent auditors or to the audit firm

The fees that accrued during the year for the services rendered by the audit firm are stated below as prescribed by law:

	Value
Statutory audit of annual accounts	17,500
Other auditing services	1,000
Tax advice services	
Other non-audit services	
<b>Total fees due to independent auditors or to the audit firm</b>	<b>18,500</b>

## Information on assets and loans for specific businesses

The following information is provided below pursuant to Article 2427, no. 20, for each set of assets intended for specific businesses.

The specific purpose of the Company is to carry out securitisation transactions, which, as pointed out in the Notes to the Financial Statements, opening part, are reported according to the procedures set out in previously-applicable provisions specifically issued by the Bank of Italy in the Annex attached 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 regarded as forming an integral part of these Financial Statements.

## Information on the significant events that occurred after the year-end

It is informed that no corporate events occurred which were such as to have a significant impact on the financial position and results of operations reported herein (Italian Accounting Board principle OIC 29) during the period from 31 December 2022 to the date of approval of these financial statements.

## Highlights of the financial statements of the company that carries our management and coordination activities

It is informed that the company is subject to the management and coordination on the part of Banca Popolare dell'Alto Adige S.p.A..

The table below shows the highlights of the latest approved financial statements of the aforesaid Company that carries out management and coordination (Article 2497-bis, paragraph 4, of the Italian Civil Code), Furthermore, it should be noted that Banca Popolare dell'Alto Adige S.p.A. prepares consolidated financial statements.

Balance Sheet		
Assets	31.12.2021	31.12.2020
<i>(in Euro)</i>		
10. Cash and cash equivalents	92,348,846	83,657,688

20.	Financial assets measured at fair value through profit and loss	122,808,702	138,098,926
	a) financial assets held for trading	1,640,918	471,888
	b) financial assets designated at fair value	-	-
	c) other financial assets mandatorily measured at fair value	121,167,784	137,627,038
30.	Financial assets measured at fair value through comprehensive income	680,921,245	597,473,448
40.	Financial assets measured at amortised cost	11,934,943,122	10,322,580,377
	a) receivables from banks	1,647,681,913	714,612,737
	b) receivables from customers	10,287,261,209	9,607,967,640
50.	Hedging derivatives	-	-
60.	Value adjustment to financial assets subject to macro hedging (+/-)	-	-
70.	Equity investments	5,277,763	5,168,007
80.	Property, plant and equipment	135,355,796	143,382,083
90.	Intangible assets	15,674,551	16,842,987
	of which:		
	- goodwill	-	-
100.	Tax assets	149,630,421	171,755,814
	a) current	53,628,036	62,392,063
	b) deferred	96,002,385	109,363,751
110.	Non-current assets and disposal groups of assets	4,407,814	15,543,732
120.	Other assets	142,022,584	131,360,306
	<b>Total assets</b>	<b>13,283,390,844</b>	<b>11,625,863,368</b>

<b>Liabilities and equity</b>		<b>31.12.2021</b>	<b>31.12.2020</b>
<i>(in Euro)</i>	Financial liabilities measured at amortised cost	12,138,099,570	10,555,360,705
10.			
	a) payables to banks	2,668,836,977	1,972,836,871
	b) payables to customers	9,032,919,126	8,057,494,788
	c) outstanding securities	436,343,467	525,029,046
20.	Financial liabilities held for trading	59,740	1,782,869
30.	Financial liabilities designated at fair value (IFRS 7 par. 8.e)	-	-
40.	Hedging derivatives	-	-
50.	Value adjustment to financial liabilities subject to macro-hedging (+/-)	-	-
60.	Tax liabilities	18,804,760	27,046,077
	a) current	14,803,485	6,786,274
	b) deferred	4,001,275	20,259,803
70.	Liabilities associated with assets held for sale	-	-
80.	Other liabilities	256,877,965	242,572,282
90.	Employee severance pay	16,163,760	16,801,656
100.	Provisions for risks and charges	21,373,126	18,238,086
	a) commitments and guarantees issued	7,631,272	6,109,409
	b) pension fund and similar obligations	-	-
	c) other provisions for risks and charges	13,741,854	12,128,677
110.	Valuation reserves	2,375,680	2,118,111
120.	Redeemable shares	-	-
130.	Equity instruments	-	-
140.	Reserves	284,004,937	267,883,424
150.	Issue premiums	298,786,747	298,786,747
160.	Quota capital	201,993,752	201,993,752
170.	Own quotas (-)	(25,225,203)	(22,735,291)
180.	Profit (Loss) for the year (+/-)	70,076,010	16,014,950
	<b>Total liabilities and equity</b>	<b>13,283,390,844</b>	<b>11,625,863,368</b>

## Income Statement



<b>Income Statement</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
<b>(in Euro)</b> 10. Interest earned and similar income	196,115,501	196,370,076
of which: interest earned calculated according to the effective interest method	191,045,457	191,145,664
20. Interest expense and similar charges	(19,594,634)	(23,707,274)
<b>30. Interest margin</b>	<b>176,520,867</b>	<b>172,662,802</b>
40. Commissions earned	107,069,666	97,910,204
50. Commissions expense	(13,075,659)	(13,892,289)
<b>60. Net commissions</b>	<b>93,994,007</b>	<b>84,017,915</b>
70. Dividends and similar income	3,557,901	880,907
80. Net profit (loss) from trading	2,048,979	2,168,573
90. Net profit (loss) from hedging	-	-
100. Profits (Losses) from sale or repurchase of:	45,899,612	8,450,276
a) financial assets measured at amortised cost	40,546,942	5,401,997
b) financial assets measured at fair value through comprehensive income	5,345,877	2,969,226
c) financial liabilities	6,793	79,053
110. Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss	(2,882,775)	(4,646,906)
a) financial assets and liabilities designated at fair value	-	-
b) other financial assets mandatorily measured at fair value	(2,882,775)	(4,646,906)
<b>120. Operating income</b>	<b>319,138,591</b>	<b>263,533,567</b>
130. Net value adjustments/write-backs for credit risk to:	(53,128,556)	(62,946,204)
a) financial assets measured at amortised cost	(53,204,833)	(63,396,465)
b) financial assets measured at fair value through comprehensive income	76,277	450,261
140. Profits/losses from contract amendments without cancellations	(40,082)	(65,809)
<b>150. Net profit (loss) from financial operations</b>	<b>265,969,953</b>	<b>200,521,554</b>
160. Administrative expenses:	(185,866,392)	(174,663,283)
a) personnel costs	(101,382,305)	(92,999,906)
b) other administrative expenses	(84,484,087)	(81,663,377)
170. Net accruals to provisions for risks and charges	(5,195,696)	(2,359,165)
a) for credit risk relating to commitments and guarantees issued	(1,766,185)	(1,057,192)
b) other net provisions	(3,429,511)	(1,301,973)
180. Net value adjustments/write-backs to property, plant and equipment	(15,073,658)	(19,687,605)
190. Net value adjustments/write-backs to intangible assets	(1,238,585)	(1,845,415)
200. Other operating charges/income	20,027,243	19,230,887
<b>210. Operating costs</b>	<b>(187,347,088)</b>	<b>(179,324,581)</b>
220. Profits (Losses) from equity investments	100,482	(284,421)
230. Net profit (loss) from property, plant and equipment and intangible assets measured at fair value	-	-
240. Value adjustments to goodwill	-	-
250. Profits (Losses) from disposal of investments	(271,383)	186,873
<b>260. Profit (Loss) before tax from current operations</b>	<b>78,451,964</b>	<b>21,099,425</b>
270. Income tax for the year from current operations	(8,375,954)	(5,084,475)
<b>280. Profit (Loss) after tax from current operations</b>	<b>70,076,010</b>	<b>16,014,950</b>
290. Profit (Loss) after tax from discontinued operations	-	-
<b>300. Profit (Loss) for the year</b>	<b>70,076,010</b>	<b>16,014,950</b>

## Own quotas and shares or quotas of parent companies

In compliance with the provisions of Article 2428, paragraph 3.3 and 3.4, of the Italian Civil Code, it is informed that the Company did not hold any own quota or shares of Parent Companies during the year.

## Notes to the financial statements, final part

Dear Quotaholders, we confirm to you that these Financial Statements, consisting of the Balance Sheet, the

Income Statement, the Cash Flow Statement and the Explanatory Notes, give a true and fair view of the Company's financial position, cash flows and results of operations for the year and are consistent with the accounting records. Therefore, you are invited to approve the draft Financial Statements at 31 December 2022, showing a breakeven result, as prepared by the governing body.

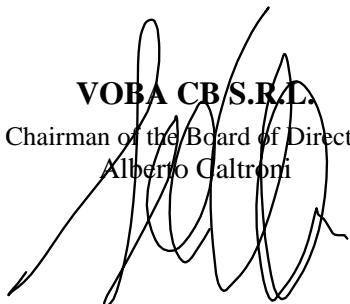
The Financial Statements are true and real and correspond to the accounting records.

## Statement of compliance of the Financial Statements

The undersigned Alberto Caltroni, pursuant to Article 47 of Presidential Decree no. 445 of 2000, hereby declares that the electronic document in XBRL format, containing the balance sheet, the income statement and the explanatory notes, is in conformity with the corresponding original documents filed with the company.

Bolzano, 27 February 2023

**VOBA CB S.R.L.**  
Chairman of the Board of Directors  
Alberto Caltroni





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**(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  
Voba CB S.r.l.*

### **Opinion**

We have audited the financial statements of Voba CB S.r.l. (the "company"), which have been prepared in a condensed format pursuant to article 2435-bis of the Italian Civil Code and comprise the balance sheet as at 31 December 2022, the profit and loss account 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 Voba CB S.r.l. as at 31 December 2022 and of its financial performance 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.



**Voba CB S.r.l.**  
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### **Other matters**

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 Voba CB 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;
- 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



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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.

Treviso, 13 March 2023

KPMG S.p.A.

(signed on the original)

Vito Antonini  
Director of Audit

## ANNEX 1

**Information relating to the covered bond transaction****D. GUARANTEES ISSUED AND COMMITMENTS**

As at the reporting date of the financial statements, the Company had not issued guarantees in favour of third parties and there were no commitments in place, except for those envisaged and expressly regulated by the contracts relating to the transaction and concerning the related "segregated assets".

**L. COVERED BONDS**

Since no specific breakdown tables have been prepared as required by the Bank of Italy's order of 15 December 2015, it was deemed appropriate to set up the disclosure provided in this section by using the disclosure structure explicitly required for part "F. Securitisation of Loans."

The following are the details of the initial portfolio and the borrowing obtained for their purchase in the form of subordinated loans obtained from the assignor bank.

***Amount of receivables purchased:***

- Nominal value of receivables as at the valuation date: 464,753,559.14
- Price of assignment (including accruing interest): 460,443,084.46

***Amount of receivables purchased subsequently:***

<b>Date of Purchase</b>	<b>Face value</b>	<b>Price of Assignment</b>
15 November 2021	171,595,159.61	169,804,842.86

The subordinated loans that will be disbursed by Banca Popolare dell'Alto Adige S.p.A. at the same time as the purchase dates of the loans in an amount equal to the price of assignment, are regulated by interest to be paid on each payment date, equal to an amount corresponding to the sum of:

- 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;
- an amount (the "Premium") equal to the difference between the funds available on account of the guarantor's interest, arising from the collected receivables assigned by the assignor, and all other amounts whose payment is due according to the priority order in the payment waterfall.

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

## PERFORMANCE OF THE TRANSACTION

### Structure, form and accounting policies used to prepare the Summary Statement of Securitised Assets and the Notes Issued

The structure and form of the summary statement are in line with those required by the Bank of Italy's Order of 29 March 2000, "Schedules of financial statements of loan securitisation Companies".

Specifically, the accounting policies adopted for the most important entries are described below.

It should be noted that, pending official rulings in this regard, these policies are not affected by the measurement changes made by Legislative Decree no. 139 of 2015, but are consistent with the valuation criteria applied in previous years. They are, in fact, the most suitable option to reflect the financial features of the specific nature of the Company's business and to allow the reconciliation of these financial statements and the remaining financial reporting that is required to be submitted by the Company.

The entries connected to securitised loans correspond to the values inferred from the accounting and from the information system of the Servicer, Banca Popolare dell'Alto Adige S.p.A., as it has properly notified in accordance with the provisions of the Servicing Agreement.

The amounts are stated in Euro units.

### A. Securitised assets

#### A.1 Receivables

Receivables have been entered at their assignment value and are recognised during the transaction, net of receipts collected in the period. As at the reporting date, their value is possibly decreased in order to adjust it at the presumed realisable on the basis of the information provided by the Servicer. They include interest income which accrues on an accruals basis and which is considered to be recoverable.

The write-down on receivables is determined according to IFRS9, which requires financial assets that are not measured at fair value through profit or loss, consisting of debt securities and loans, to be subjected to the new impairment model based on expected loss (ECL – Expected Credit Losses).

According to the information provided by the Servicer, write-downs relate to the impairment of loans classified in Stage 1, Stage 2 and Stage 3, depending on the evolution of the debtor's credit rating:

**Stage 1:**

performing financial assets the credit risk of which has not increased significantly compared to the date of initial recognition or the credit risk of which is considered to be low. The impairment is based on the estimated expected credit loss making reference to a period of time of one year;

**Stage 2:**

performing financial assets the credit risk of which has increased significantly compared to the date of initial recognition. The impairment is commensurate with the estimated expected credit loss making reference to a period of time equal to the entire residual life of the financial asset;

**Stage 3:**

impaired financial assets (probability of default equal to 100%) The impairment is commensurate with the estimated expected credit loss on the specific financial asset throughout its entire life.

**B. Uses of liquidity****B.3 Cash**

The credit balances in current accounts held with banks, are entered in the accounts at their nominal value, corresponding to their presumed realisable value, and include interest accrued as at the reporting date of these Financial Statements.

**B. 4 Investments and Investments treated as Liquidity**

The item includes receipts on receivables that had been already collected as at the date of the Financial Statements, but not yet credited to the Company's current accounts.

**B.6 Other receivables**

Other receivables include the advance payment made to recurring core operations to allow the payment of corporate management costs.

Withholding taxes incurred consist of the deductions made on interest income accrued on current accounts opened in favour of segregated assets, as at the reporting date of the Financial Statements.

**D. Loans**

The amount is stated at nominal value.

**E. Other liabilities**

Payables are entered at their nominal value.

Accrued expenses have been calculated on an effective accruals basis, by applying the principle of matching costs to revenues per financial year.



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

Costs and revenues referable to the purchased assets, interest, commissions, income and charges arising from the transaction have been accounted according to the matching principle.

### **Mechanism to settle segregated assets**

From the Summary Statement, table L1, it can be inferred that a break-even result was recorded in the financial year, through the full allocation of the positive margin accrued in the period to the entity that has granted the subordinated loan in the form of an additional remuneration.

Therefore, total Assets coincide with total Liabilities of segregated assets.

<b>RECONCILIATION OF THE STATEMENT ON THE FOLLOWING PAGES</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
TOTAL ASSETS	449,371,768	583,684,744
TOTAL LIABILITIES	449,371,768	583,684,744
<b>FINANCIAL DIFFERENCE</b>	<b>0</b>	<b>0</b>
RESULTS FROM PREVIOUS YEARS	0	0
<b>RESULT FROM THE TRANSACTION FOR THE CURRENT FINANCIAL YEAR</b>	<b>0</b>	<b>0</b>

For the comments on the notes under the statement above, reference is made to the following pages.

<b>SUMMARY STATEMENT</b>		<b>31/12/2022</b>	<b>31/12/2021</b>
<b>A</b>	<b>Securitised assets</b>	<b>430,982,533</b>	<b>501,846,400</b>
A.1	Receivables	430,982,533	501,846,400
<b>B</b>	<b>Uses of liquidity from management of receivables</b>	<b>18,389,235</b>	<b>81,838,344</b>
B.3	Cash	18,291,419	81,801,194
B.4	Investments and investments treated as liquidity	65,004	20,489
B.6	Other receivables	32,813	16,661
<b>D</b>	<b>Loans received</b>	<b>(449,279,211)</b>	<b>(583,467,727)</b>
<b>E</b>	<b>Other liabilities</b>	<b>(92,557)</b>	<b>(217,017)</b>
E.2	Accrued expenses and deferred income	(92,557)	(217,017)
<b>G</b>	<b>Transaction commissions and fees</b>	<b>413,329</b>	<b>396,542</b>
G.1	For Servicing	318,836	303,262
G.2	For other services	94,494	93,280
<b>H</b>	<b>Other charges</b>	<b>9,392,960</b>	<b>7,507,453</b>
H.1	Value adjustments to receivables	2,956,483	686,088
H.2	Interest expense	6,436,429	6,814,392
H.4	Other charges	48	6,973
<b>I</b>	<b>Interest generated from securitised assets</b>	<b>(8,927,442)</b>	<b>(7,043,966)</b>
<b>L</b>	<b>Other revenues</b>	<b>(878,847)</b>	<b>(860,029)</b>
L.1	Interest income	(35,862)	0
L.2	Value write-backs on receivables	(483,108)	(497,146)
L.4	Other revenues	(359,878)	(362,883)

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

STATEMENT – BREAKDOWN OF ITEMS		31/12/2022	31/12/2021
<b>A.1</b>	<b>Receivables</b>	<b>430,982,533</b>	<b>501,846,400</b>
a.	LOANS – CAPITAL QUOTA	437,492,882	506,197,765
b.	LOANS – DEFAULT INTEREST	109	251
c.	LOAN – OTHER ITEMS	252	300
d.	OVERDUE RECEIVABLES – CAPITAL QUOTA	96,348	103,567
e.	OVERDUE RECEIVABLES – INTEREST	24,539	23,678
f.	ACCRUED INTEREST INCOME ON LOANS	264,316	236,737
g.	PROVISION FOR WRITE-DOWN OF PURCHASED RECEIVABLES	(5,443,240)	(2,969,865)
h.	ADJUSTMENT TO THE BALANCE OF RECEIVABLES - IAS	(1,452,673)	(1,806,851)
i.	AMOUNT OF INTEREST	0	1,006
j.	NON-PERFORMING LOANS – CAPITAL QUOTA	0	59,672
k.	NON-PERFORMING LOANS – DEFAULT INTEREST	0	140
<b>B.3</b>	<b>Cash</b>	<b>18,291,419</b>	<b>81,801,194</b>
a.	PAYMENT ACCOUNT	525	0
b.	COLLECTION ACCOUNT	17,994,161	81,409,804
c.	RESERVE ACCOUNT	296,733	391,390
<b>B.4</b>	<b>Investments and Investments treated as liquidity</b>	<b>65,004</b>	<b>20,489</b>
a.	RECEIVABLES FOR AMOUNTS TO BE COLLECTED	65,004	20,489
<b>B.6</b>	<b>Other receivables</b>	<b>32,813</b>	<b>16,661</b>
a.	ADVANCES ON RECURRING OPERATIONS	23,489	16,661
b.	RECEIVABLES FROM THE TAX OFFICE ON ACCOUNT OF WITHHOLDINGS ON INTEREST INCOME FROM CURRENT ACCOUNTS	9,324	0
<b>D</b>	<b>Loans received</b>	<b>(449,279,211)</b>	<b>(583,467,727)</b>
a.	PAYABLES FOR SUBORDINATED LOAN	(446,747,927)	(579,247,927)
b.	PAYABLES FOR INTEREST ON SUBORDINATED LOAN	(2,531,283)	(4,219,800)
<b>E.2</b>	<b>Accrued expenses and deferred income</b>	<b>(92,557)</b>	<b>(217,018)</b>
a.	ACCRUED EXPENSES	(10,591)	(127,786)
b.	ACCRUED EXPENSES FOR SERVICING FEE	(81,966)	(89,231)
<b>G.1</b>	<b>For servicing</b>	<b>318,836</b>	<b>303,262</b>
a.	SERVICING	314,981	299,456
b.	BACK-UP SERVICING FACILITATOR	3,855	3,806
<b>G.2</b>	<b>Commissions for other services</b>	<b>94,494</b>	<b>93,280</b>
G.2a	CORPORATE EXPENSES	60,469	60,101
G.2b	ON-GOING EXPENSES	34,024	33,179
<b>H.1</b>	<b>Value adjustments to receivables</b>	<b>2,956,483</b>	<b>686,088</b>
a.	GENERAL WRITE-DOWN OF RECEIVABLES	2,956,483	686,088
<b>H.2</b>	<b>Interest expense</b>	<b>6,436,429</b>	<b>6,814,392</b>
a.	COMMISSIONS EXPENSE	84,061	431,392
b.	INTEREST EXPENSES ON SUBORDINATED LOAN	2,402,398	2,264,336
c.	INTEREST EXPENSE ON VARIABLE SUBORDINATED LOAN	3,949,970	4,118,664
<b>H.4</b>	<b>Other charges</b>	<b>48</b>	<b>6,973</b>
a.	LEGAL FEES FOR DEBT COLLECTION	0	89
b.	CONTINGENT LIABILITIES	48	0

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c.	NOTARIAL EXPENSES	0	6,884
<b>I</b>	<b>Interest generated from securitised assets</b>	<b>(8,927,442)</b>	<b>(7,043,966)</b>
a.	DEFAULT INTEREST INCOME ON SECURITISED LOANS	(4,523)	(5,585)
b.	INTEREST INCOME ON SECURITISED LOANS	(8,793,937)	(6,930,626)
c.	ADDITIONAL INCOME FROM INSTALMENTS	(128,982)	(107,714)
d.	DEFAULT INTEREST INCOME ON NON-PERFORMING LOANS	0	(41)
<b>L.1</b>	<b>Interest income</b>	<b>(35,862)</b>	<b>0</b>
a.	INTEREST INCOME FROM COLLECTION ACCOUNT	(34,306)	0
b.	INTEREST INCOME FROM RESERVE ACCOUNT	(847)	0
c.	INTEREST INCOME FROM PAYMENT ACCOUNT	(710)	0
<b>L.2</b>	<b>Value write-backs on receivables</b>	<b>(483,108)</b>	<b>(497,146)</b>
a.	VALUE WRITE-BACKS ON RECEIVABLES	(483,108)	(497,057)
b.	RECOVERIES OF EXPENSES ON NON-PERFORMING LOANS	0	(89)
<b>L.4</b>	<b>Other revenues</b>	<b>(359,878)</b>	<b>(362,883)</b>
a.	REVENUES FOR IAS ADJUSTMENTS	(354,178)	(356,154)
b.	PENALTIES RECEIVABLE FOR DAMAGES	(5,700)	(6,728)

## QUALITATIVE INFORMATION

### L.2 DESCRIPTION AND PERFORMANCE OF THE TRANSACTION

#### Date of the transaction

The transaction was completed through the execution of the assignment agreement of receivables on 1 October 2019.

The agreement governs the assignment of the initial portfolio of loans and subsequent assignments that will form part of a single program of covered bonds issued by Banca Popolare dell'Alto Adige S.p.A., in the context of which the Company acts as Guarantor through the provision of a first-demand, irrevocable, unconditional and independent guarantee in favour of the holders of covered bonds.

The Guarantor's purchase of the receivables included in the first portfolio was financed through a subordinated loan in an amount equal to the price of assignment.

➤ Date of the Initial Assignment agreement (legal effect):	1 October 2019
➤ Effective date of the economic effects of the Initial Assignment:	1 September 2019
➤ Valuation date:	1 September 2019
➤ Date of disbursement of loans:	11 October 2019
➤ Date of issue of the first series of covered bonds:	28 October 2019
➤ Date of signature of the guarantee on covered bonds:	10 October 2019

#### Assignor

➤ Company/Business name:	Banca Popolare dell'Alto Adige S.p.A.
➤ Legal status:	Joint-stock company ( <i>Società per Azioni</i> )
➤ Registered Office:	Via del Macello, 55 39100 Bolzano
➤ Tax code and Register of Companies:	00129730214
➤ Register of Banks:	3630.1

#### Assigned receivables

The Assignor has assigned, through an assignment without recourse (*pro soluto*), pursuant to and for

the purposes of the combined provisions of articles 1 and 4 of Law no. 130 of 30 April 1999, a portfolio of loans which can be identified “in bulk” and which arise from mortgages backed by collaterals.

- Face value of receivables at the valuation date: 464,753,559.14
- Price of assignment (including accruing interest): 460,443,084.46
- Type of assets: The portfolio is made up of receivables arising from mortgage-backed loans on properties for residential use.
- Nature of purchased receivables: The features of the purchased receivables were published, in detail, in the Official Gazette (*Gazzetta Ufficiale*), part II, no. 118 of 8 October 2019, also in order to notify the assignment to debtors that had taken place.
- Quality of receivables purchased: At the time of the assignment, receivables were classified as performing loans on the basis of the criteria applied by the Assignor in compliance with the regulations issued by the Bank of Italy.

Assignment on 15 November 2021:

- Face value of receivables at the valuation date: 171,595,159.61
- Price of assignment (including accruing interest): 169,804,842.86
- Type of assets: The portfolio is made up of receivables arising from mortgage-backed loans on properties for residential use.

Nature of purchased receivables:

The features of the purchased receivables were published, in detail, in the Official Gazette (*Gazzetta Ufficiale*), part II, no. 138 of 20 November 2021, also in order to notify the assignment to debtors that had taken place.

Quality of receivables purchased:

At the time of the assignment, receivables were classified as performing loans on the basis of the criteria applied by the Assignor in compliance with the regulations issued by the Bank of Italy.

### **1) Performance of the transaction**

The transaction is progressing normally; no irregularities have emerged with respect to the provisions laid down in the contract documentation.

### **2) Information relating to the performance of receivables**

The performance of receipts can be assessed by monitoring some indicators, such as: (i) the Delinquency Ratio, (ii) the Cumulative Gross Default Ratio, (iii) the Cumulative Net Default Ratio and (iv) the Default Ratio. The first indicator is given by the ratio of i) capital quota falling and fallen due and not paid in relation to the receivables classified as “delinquent” (non-performing loans that present late payments) and ii) the overall portfolio, net of defaults at the end of the reference period. The second indicator is given by the ratio of i) capital quota falling and fallen due and not paid in relation to the receivables classified as “default” and ii) the initial overall portfolio. The third indicator is calculated as the ratio of i) capital quota falling and fallen due and not paid in relation to the receivables classified as “default”, net of respective recoveries and ii) the initial overall portfolio. Finally, the fourth indicator is calculated as the ratio of i) capital quota falling and fallen due and not paid in relation to the receivables classified as “default” during the reference period and ii) the average value of the portfolio in the same period.

The agreements do not provide for events linked to the indicators described above (such as, for example, a change in the priority order of payments).

Collection Period	Delinquency Ratio	Cumulative Gross Default Ratio	Cumulative Recoveries Ratio	Default Ratio
31.12.2022	0.26%	0.09%	0.12	0.00%

Furthermore, the transaction requires compliance with specific indicators, other than the previous ones, the performance of which is verified on a quarterly basis by the Asset Monitor of the transaction, which, at the request of the issuer of covered bonds, prepares a Report on a quarterly basis, 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 present value of the assets forming part of the segregated assets, net of all transaction costs borne by the Guarantor, including all expected costs and charges of any derivative contract entered into in order to hedge financial risks associated with the transaction, must be at least equal to the net present value of the outstanding Covered Bonds;
- Interest Coverage Test: any 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 owed by the issuing bank on the outstanding Covered Bonds, taking account of any derivative contract entered into in order to hedge financial risks associated with the transaction;
- Asset Coverage Test: it consists of the dynamic verification that the assets forming part of the segregated assets, weighted differently according to the type and quality are able to ensure the minimum level of over-collateralization required by the rating agencies.

### 3) Other information relating to significant events

With reference to the Company, no significant events are reported which occurred during the year .

The 2022 financial year was marked by a general framework characterised by geopolitical tensions generated by the Russian-Ukrainian conflict, with inevitable effects on growth and inflation triggered by the rising cost of raw materials, particularly energy.

The eruption of the conflict in Ukraine has abruptly dashed the hope of a return to normality after the Covid-19 health emergency, which became apparent at the end of 2021 due to a lower number of hospitalisations, the easing of restrictive measures and the gradual adaptation to them on the part of the



population, paving the way for a new phase of living with the virus and, therefore, a gradual archiving of risks to the economy.

The hostilities have demanded heavy humanitarian intervention and have triggered an energy crisis in Europe while also contributing, to an appreciable extent, to an increase in international prices of global food and raw materials, which have risen to decade highs. This has thus exacerbated those inflationary pressures that were already made acute by the adverse impact of the pandemic on global supply chains. The resulting downward revision of growth estimates has primarily affected commodity-importing developing countries, which are more fragile in the face of rising energy and food prices. But unevenness has continued to persist among advanced economies as well.

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

The expansion of EU sanctions against Russia has further aggravated supply constraints and has adversely affected energy prices. Given the even more significant increase in producer prices, there is concern that the current trend in consumer prices is not likely to subside so quickly, casting shadow on the outlook for consumption. The general rise in interest rates as a result of measures taken by central banks to combat inflation has caused an equally significant disruption in bond markets.

The conflict under consideration and the sanctions imposed by the international community on the government, companies and economy of Russia, as well as the countermeasures put in place by the latter country, have led to a situation of high uncertainty at the macroeconomic level, exchange rates, costs of energy and raw materials, the cost of debt, inflationary expectations and the cost of credit.

The economic performance in Italy in 2022 was naturally affected by the difficult environment described above. After a sharp rise recorded in the first quarters of the year, while continuing to benefit from the use of Next Generation EU funds, growth slowed down, particularly in the last quarter of the year, which was also due to a marked change in the direction of monetary policy and a sharp surge recorded in interest rates as a result of the measures taken by central banks to combat inflation. This was also contributed to by both attenuated recovery of value added in services, which returned to pre-pandemic values as early as in the summer months, and a decline in industrial production. Household spending slowed, despite measures to support disposable income amid high inflation.

With regard to segregated assets it should be noted that:

- on the Payment Date of 27 January 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 79,000,000;
- on the Payment Date of 27 April 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to

Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 15,000,000;

- on the Payment Date of 27 July 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 23,500,000;
- on the Payment Date of 27 October 2022, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 15,000,000.

It should be noted that the repayments made in 2022 did not result in any breach of the Tests pursuant to Article 6.3.1 of the Subordinated Loan Agreement.

It should also be noted that, following the end of the previous Financial Year, on the Payment Date of 27 January 2023, after receiving a request for early repayment from Banca Popolare dell'Alto Adige S.p.A. (as "Subordinated Lender" and "Issuer") pursuant to Articles 6.3.1 (a) and 6.3.1 (b) of the Subordinated Loan Agreement, the Company made an early repayment of the Subordinated Loan for an amount of Euro 15,000,000. It should be noted that the repayment did not result in any breach of the Tests pursuant to Article 6.3.1 of the Subordinated Loan Agreement.

It is informed that no corporate events occurred which were such as to have a significant impact on the financial position and results of operations reported herein (Italian Accounting Board principle OIC 29) during the period from 31 December 2022 to the date of approval of these financial statements.

### **L.3 INDICATION OF THE PARTIES INVOLVED**

Issuer of CBs	Banca Popolare dell'Alto Adige S.p.A.
Guarantor of CBs	Voba CB S.r.l.
Assignor	Banca Popolare dell'Alto Adige S.p.A.
Servicer	Banca Popolare dell'Alto Adige S.p.A.
Subordinated Lender	Banca Popolare dell'Alto Adige S.p.A.
Corporate Servicer	Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.)
Guarantor Calculation Agent	Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.)

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	Internazionale S.p.A.)
Account Bank	BNP Paribas Securities Services, Milan Branch (now BNP Paribas SA)
Guarantor Paying Agent	BNP Paribas Securities Services, Milan Branch (now BNP Paribas SA)
Representative of the Covered Bondholders	Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.)
Back-Up Servicer Facilitator	Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.)
Asset Monitor	BDO Italia S.p.A.
Quotaholders	Stichting Urano Banca Popolare dell'Alto Adige S.p.A.
Stitching Corporate Services Provider	Wilmington Trust SP Services (London) Limited
Cash Manager	Banca Popolare dell'Alto Adige S.p.A.
Test Calculation Agent	Banca Popolare dell'Alto Adige S.p.A.
Issuer Paying Agent	Banca Popolare dell'Alto Adige S.p.A.
Luxembourg Listing Agent	BNP Paribas Securities Services, Luxembourg branch

### **Obligations of the Assignor**

At the date of assignment, the Company in its capacity as Guarantor, and Banca Popolare dell'Alto Adige S.p.A. in its capacity as assignor, entered into a guarantee and indemnity agreement pursuant to which the assignor made specific representations and warranties in favour of the Guarantor in relation to the loan portfolio assigned and agreed to indemnify the Guarantor in relation to certain costs, expenses and liabilities which the latter should incur in relation to the purchase and ownership of the portfolio.

For the description of any other possible obligations of the assignor and of any other party involved in the transaction for any reason whatsoever, reference is made to paragraph L.5 Additional financial transactions.

### **Contractual relationships between the parties involved**

The issuer has entrusted the management of receipts from the securitised portfolio to Banca Popolare dell'Alto Adige S.p.A., in its capacity as Servicer, which is responsible, pursuant to Law no. 130 of 1999, for monitoring the transaction so that it may be carried out in accordance with law and the prospectus.

Any receipts from the receivables are credited to the Collection Account registered in the name of the Guarantor with the Account Bank (BNP Paribas Securities Services (now BNP Paribas SA)).

On the basis of the reports provided by the Servicer in relation to the performance of the transaction and, more specifically, to the receipts from receivables and to any other item that contributes to the formation of the funds available to the Guarantor, Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.), in its capacity as Guarantor Calculation Agent, distributes these funds at each date of payment on account of fees and expenses to the various persons or entities which have been appointed to carry out specific functions for the segregated assets and on account of remuneration on subordinated loans. Paragraph L.4 below considers, more in detail, the funds available to the Guarantor and the priority order that it is required to comply with in order to make payments to the counterparties.

The management of administrative and accounting services is the responsibility of Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.) in the capacity as Corporate Servicer.

The role of Representative of the Covered Bondholders is carried out by Securitisation Services S.p.A. (now Banca Finanziaria Internazionale S.p.A.).

#### **L.4 CHARACTERISTICS OF THE ISSUES**

The following details on the bonds issued by Banca Popolare dell'Alto Adige S.p.A., for which the SPV acts as the Guarantor, are provided for information purposes.

Series	1
ISIN code	IT0005388647
Common Code	207455679
Denomination	Euro 100,000
Date of issue	28 October 2019
Maturity date	28 October 2026
Extended maturity	28 October 2027
Currency	Euro
Amount	300,000,000
Type of rate	Fixed
Coupon	0.250%
Applicable law	Italian

### **Allocation of cash flows arising from the portfolio of receivables**

The allocation of the cash flows arising from the portfolio of receivables purchased follows the order provided for in the Intercreditor Agreement, or Agreement between the creditors of the issuer.

The funds available to the issuer are allocated according to the following priority order:

Priority order relating to the application of available funds on account of interest:

- payment of corporate expenses and reinstatement of the Retention Amount;
- payment of fees to the Representative of the Covered Bondholders;
- payment of fees to the Agents of the Company and any possible Swap Counterparty;
- payment of the Required Reserve Amount;
- allocation of an amount to available funds on account of capital, which is equal to the funds on account of capital allocated to available funds on account of interest on the previous payment dates and not yet repaid;
- payment of the base interest accrued on each loan to Subordinated Lenders;
- from the time a Servicer Termination Event should occur, payment of available funds on account of interest to the Collection Account as long as the Servicer Termination Event continues;
- payment of any additional amounts due to the Swap Counterparty;
- payment of the premium accrued on each loan to the Subordinated Lenders.

Priority order relating to the application of available funds on account of capital:

- transfer of an amount equal to the shortfall, if any, occurring on the current payment date, in the event that available funds on account of interest are insufficient for: the payment of corporate expenses, the reinstatement of the Retention Amount, the payment of fees to the Representative of the Covered Bondholders and to the Company's other Agents, the payment to the swap counterparty, and the payment of the Required Reserve Amount, subject to the priority order applicable on account of interest;
- payment of the price of new loan portfolios or other assets;
- payments of capital, if any, due to the swap counterparty;
- repayment of Subordinated Loans, if requested by the lenders and provided that this does not result in a violation of the Tests conducted by the Asset Monitor and Test Calculation Agent;
- allocation of unused funds to the Collection Account under the highest priority items.

## **L.5 ADDITIONAL FINANCIAL TRANSACTIONS**

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It should be noted that, as from the first payment date of the guarantor, a cash reserve will be set aside, equal to the sum of:

- the Company's expenses to be paid on the subsequent payment date;
- the senior Agents' fees to be paid on the subsequent payment date;
- for each of the covered bonds not covered by the Liability Swap, the coupons accruing in the subsequent 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 subsequent payment date and the coupon accruing in the subsequent quarter;
- for each of the covered bonds partially covered by the Liability Swap, the maximum between the amount of the swap to be paid by the vehicle on the subsequent payment date and the coupon accruing in the subsequent quarter for the portion covered by the Liability Swap and the coupon accruing in the subsequent quarter for the portion not covered by the Liability Swap;
- any additional amount at the initiative of the Issuer.

Therefore, this reserve guarantees the payment of the senior expenses of the guarantor, as well as the payment of coupons on the covered bonds issued for the subsequent quarter, even in the event of a default on the part of the issuer.

## **L.6 OPERATIONAL POWERS OF THE ASSIGNEE COMPANY**

The Company, as assignee and guarantor, has operational powers limited by its articles of association. Specifically, section 3 provides that:

“The Company’s sole purpose is the acquisition, from Banca Popolare dell’Alto Adige S.p.A. or from the banks belonging to the Banca Popolare dell’Alto Adige Banking Group (hereinafter the “Banks”), concerning the assets listed below, for valuable consideration, within one or more issues of covered bonds (*Obbligazioni Bancarie Garantite*) (including both single issues and issue programmes) carried out pursuant to Article 7-bis of Law no. 130 of 30 April 1999, as amended and supplemented and related implementing provisions:

- (i) land and mortgage loans, which can also be identified in bulk;
- (ii) receivables that are claimed from or secured by public authorities and securities issued or guaranteed under the same terms, which can also be identified in bulk;
- (iii) securities issued within securitisation transactions concerning receivables that are of the same type;
- (iv) additional eligible assets or supplementary eligible assets that are permitted by the aforesaid regulations;

through the raising of loans granted or secured by the Banks, as well as the provision of guarantees for

bonds issued by the Banks themselves or by other banks.

The Company will carry out the abovementioned activities according to such terms and conditions and in such manners as those set out in the regulations applicable to the issues of covered bonds pursuant to Article 7-*bis* of Law no. 130 of 30 April 1999, as amended and supplemented and related implementing provisions.

In accordance with the aforesaid provisions of law, the receivables and securities purchased by the Company and the amounts paid out by the related debtors are aimed at satisfying the claims, also pursuant to Article 1180 of the Italian Civil Code, granted to the holders of the covered bonds referred to in Article 7-*bis*, paragraph 1, of Law no. 130 of 30 April 1999 and issued within the context of the issues in which the Company participates and to the benefit of which the Company has provided guarantees, as well as of the counterparties to the derivative contracts entered into to hedge the risks associated with the receivables and securities purchased and to any other additional contract. They are also aimed at the payment of other transaction costs, on a priority basis with respect to the repayment of loans granted or secured by the assignor Banks pursuant to Article 7-*bis*, paragraph 1, of Law no. 130 of 30 April 1999.

Any receivables and securities purchased by the Company within each issue transaction or programme constitute assets which are separate for all purposes both from the Company's assets and from those relating to other issues transactions or programmes, in relation to which no actions may be taken by any creditors other than the holders of the covered bonds issued and by the additional creditors referred to in the previous paragraph.

Within the limits permitted by Law no. 130 of 30 April 1999 and related implementing provisions, the Company may also carry out additional transactions to be entered into for the provision of guarantees and the successful completion of the transactions or programmes for the issue of covered bonds in which it participates, as well as may carry out transactions of re-investment in eligible assets and supplementary eligible assets and in other financial assets of funds deriving from the management of the receivables and securities which are purchased pursuant to this corporate purpose and which are not immediately used to satisfy the rights of the holders of covered bonds (issued within said issues) and to pay transaction costs.

Within the issue of covered bonds in which the Company participates, and in compliance with Law no. 130 of 1999 and related implementing provisions, the Company may appoint third-party persons for the collection of any purchased receivables and for the provision of cash and payment services; it may also carry out any other activity permitted by Article 7-*bis* of Law no. 130 of 1999 and by any related implementing provisions.”

All the main operational activities connected with the management of the transaction have been contracted out to third parties (see point L.3).

## QUANTITATIVE INFORMATION

### L.7) FLOW DATA RELATING TO RECEIVABLES

Description	At 31/12/2022	From the date of inception to 31/12/2021
<b>Balance of receivables at the beginning of the Year</b>	<b>501,846,400</b>	<b>0</b>
<b>Increases</b>		
Purchase of the Initial Portfolio	0	460,443,084
Purchase of the Subsequent Portfolio	0	169,804,843
Other increases, including:		
Interest income from loans	8,793,937	17,357,452
Default interest income	4,523	8,814
Additional income from instalments	128,982	245,929
Default interest income from non-performing loans	0	41
Value write-backs, including:		
Revenues for IAS adjustments	354,178	926,776
Penalties receivable from third parties for damages	5,700	12,426
Value write-backs on receivables	483,108	1,551,708
Recoveries of expenses on non-performing loans	0	89
<b>Decreases</b>		
Receipts	(77,677,812)	(147,671,526)
Write-down of non-performing loans	(2,956,483)	(833,235)
<b>Balance of receivables at the end of the Year</b>	<b>430,982,533</b>	<b>501,846,400</b>

### L.8) TREND IN OVERDUE RECEIVABLES

Description	2022	2021
<b>Opening balance</b>	<b>188,313</b>	<b>49,983</b>
Instalments fallen due	46,563,296	37,056,676
Accrued default interest	4,191	5,606
Instalments collected	(46,569,653)	(36,979,319)
Default interest collected	(4,333)	(5,451)
Capital quota and interest transferred to non-performing items	-	60,678
Default interest transferred to non-performing items	-	140
Receipts on non-performing loans falling due	(60,818)	-
<b>Total at the end of the period</b>	<b>120,996</b>	<b>188,313</b>



The final overdue amount consists of the principal, interest and default interest of performing loans, as well as of the positions transferred to non-performing items in terms of principal, interest and default interest.

The collection and recovery of overdue receivables are the responsibility of Banca Popolare dell'Alto Adige S.p.A. according to the Servicing Agreement.

The receivables held in the portfolio as at the reporting date of the Financial Statements were adjusted, upon instructions of the Servicer, in order to adjust the book value of the securitised portfolio at presumed realisable value, which reflects the actual prospects of recovery of the receivables themselves.

During the transaction the Servicer continues to monitor the receivables and take any necessary action for debt collection according to the procedures set out in the Servicing Agreement.

During the transaction, Banca Popolare dell'Alto Adige S.p.A.'s credit control department continues to monitor the receivables and takes any necessary action for debt collection according to the procedures set out in the Servicing Agreement.

Below is the status of overdue receivables for the capital quota (Item A.1.c. of Statement L.1 - "Loan instalments fallen due – capital quota"), on the basis of the definitions provided for by the Bank of Italy:

<b>Breakdown of overdue positions</b>	<b>Amount in Euro units</b>
performing loans	96,348
impaired loans	0
<b>Total Overdue Receivables</b>	<b>96,348</b>

<b>Ageing of overdue positions</b>	<b>Amount in Euro units</b>
within 15 days	82,555
from 15 to 120 days	13,793
beyond 120 days	0
<b>Total Overdue receivables other than non-performing loans</b>	<b>96,348</b>

## **L.9) CASH FLOWS**

<b>Inflows</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Receipts credited by the Servicer on the Collection Account	77,633,297	66,075,104
Interest income on current accounts	35,862	0
<b>Total Inflows during the Year</b>	<b>77,669,159</b>	<b>66,075,104</b>

<b>Outflows</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Payment of interest on the subordinated loan	2,470,822	2,208,465
Payables for interest on the subordinated loan	5,570,062	3,511,026
Payables for subordinated loan	132,500,000	51,000,000
Advances of expenses on recurring operations	37,789	34,281
Suppliers	561,477	721,212
Expenses for services rendered by counterparties	29,460	29,182
Withholdings on interest income from current accounts	9,324	0
<b>Total Outflows during the Year</b>	<b>141,178,935</b>	<b>57,504,168</b>

<b>Reconciliation of flows</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Opening cash balance	81,801,195	73,230,259
Inflows	77,669,159	66,075,104
Outflows	141,178,935	57,504,168
<b>Final cash balance</b>	<b>18,291,419</b>	<b>81,801,195</b>

The imbalance between inflows and outflows consists of the balance of current accounts at 31 December 2022 (item B.3 of statement L.1).

The reconciliation between the amount of receipts stated in table L.7 (Euro 77,677,812) and table L.9 (Euro 77,633,297), respectively, is made by deducting from the amount of Euro 77,633,297 the amount of Euro 20,489 resulting as the receivable for amounts to be collected in 2021 and adding the amount of Euro 65,004 resulting as the receivable for amounts to be collected in 2022 (item B.4.a. of statement L.1).

The actual receipts collected during 2022 totalled Euro 78 million, while expected receipts amounted to Euro 48 million. The deviation from forecasts is largely attributable to the fact that in 2022 there were substantial early repayments of loans (amounting to Euro 22.5 million) and to a residual extent to the effect caused by an increase in interest rates.

On the basis of the financial plans provided by the Servicer, it is expected that the receipts arising from receivables will come to about Euro 45,033,927 in 2023.

#### **L.10) SITUATION OF GUARANTEES AND LIQUIDITY FACILITIES**

As at 31 December 2022 there were no guarantees, nor liquidity facilities.

#### **L.11) BREAKDOWN BY RESIDUAL MATURITY**

<b>Residual Maturity</b>	<b>Balance of Receivables - FY 2022</b>
01) Until 3 months	524,631
02) From 3 months to 1 year	1,777,691

03) From 1 year to 5 years	33,062,334
04) Beyond 5 years	402,392,793
Indefinite maturity (***)	120,996

<b>Total receivables at the end of the Year:</b>	<b>437,878,446</b>
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It should be noted that the portfolio's overall total includes the Provision for bad debts of Euro 5,443,240 and IAS amortised cost equal to Euro 1,452,673.

#### L.12) BREAKDOWN BY GEOGRAPHICAL AREA

<b>Geographical Area</b>	<b>Balance of Receivables – FY 2022</b>
Italy	437,669,981
EMU countries	208,465

<b>Total receivables at the end of the Year:</b>	<b>437,878,446</b>
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It should be noted that the portfolio's overall total includes the Provision for bad debts of Euro 5,443,240 and the IAS amortised cost equal to Euro 1,452,673.

#### L.13) RISK CONCENTRATION

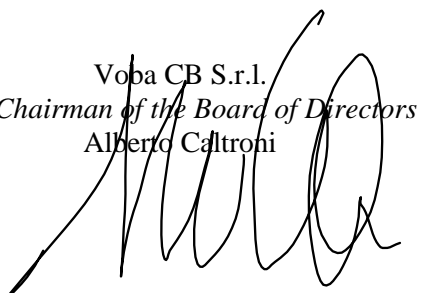
<b>Classes of amount (Euro)</b>	<b>Number of Customers</b>	<b>Balance of Receivables – FY 2022</b>
02) 25,001 – 75,000	2,033	101,386,621
04) Beyond 250,000	124	43,534,612
03) 75,001 – 250,000	2,290	281,897,558
01) 0 – 25,000	1,823	11,059,655
<b>Total receivables at the end of the Year:</b>	<b>6,270</b>	<b>437,878,446</b>

It should be noted that the portfolio's overall total includes the Provision for bad debts of Euro 5,443,240 and the IAS amortised cost equal to Euro 1,452,673.

As at 31 December 2022 no receivables were outstanding, the capital amount due of which exceeded 2% of the total receivables in the portfolio.

Bolzano, 27 February 2023

Voba CB S.r.l.  
*The Chairman of the Board of Directors*  
Alberto Caltroni

A handwritten signature in black ink, appearing to be 'A. Caltroni', written over the printed name.